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**Acronyms**

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<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>CBN</td>
<td>Central Bank of Nigeria</td>
</tr>
<tr>
<td>CCT</td>
<td>Conditional Cash Transfer</td>
</tr>
<tr>
<td>CRD</td>
<td>Centre for Research and Documentation</td>
</tr>
<tr>
<td>DFID</td>
<td>Department for International Development</td>
</tr>
<tr>
<td>ESSPIN</td>
<td>Education Sector Support Programme in Nigeria</td>
</tr>
<tr>
<td>FGD</td>
<td>Focus Group Discussion</td>
</tr>
<tr>
<td>GEMS</td>
<td>Growth and Employment in States</td>
</tr>
<tr>
<td>GEI</td>
<td>Gender Equality Index</td>
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<td>GEP</td>
<td>Girls Education Programme</td>
</tr>
<tr>
<td>KII</td>
<td>Key Informant Interview</td>
</tr>
<tr>
<td>KYC</td>
<td>Know Your Customer</td>
</tr>
<tr>
<td>LGA</td>
<td>Local Government Area</td>
</tr>
<tr>
<td>MFB</td>
<td>Microfinance Bank</td>
</tr>
<tr>
<td>MFI</td>
<td>Microfinance Institution</td>
</tr>
<tr>
<td>MNO</td>
<td>Mobile Network Operator</td>
</tr>
<tr>
<td>MSMEDF</td>
<td>Micro, Small and Medium Enterprises Development Fund</td>
</tr>
<tr>
<td>N or NGN</td>
<td>Nigerian Naira</td>
</tr>
<tr>
<td>NBS</td>
<td>National Bureau of Statistics</td>
</tr>
<tr>
<td>POS</td>
<td>Point of Sale</td>
</tr>
<tr>
<td>PRRINN-MNCH</td>
<td>Partnership for Reviving Routine Immunization in Northern Nigeria and Maternal, Newborn and Child Health</td>
</tr>
<tr>
<td>SBMC</td>
<td>School-Based Management Committees (SBMCs)</td>
</tr>
<tr>
<td>UNDP</td>
<td>United Nations Development Programme</td>
</tr>
<tr>
<td>UNICEF</td>
<td>United Nations Children’s Fund</td>
</tr>
<tr>
<td>USAID</td>
<td>United States Agency for International Development</td>
</tr>
</tbody>
</table>

**Exchange Rate**

157.35 Nigerian Naira = 1 U.S. Dollar
Acknowledgements

This assessment was funded by Mercy Corps’ Adolescent Girls Opportunity Fund, which was created from support provided by the Nike Foundation.

About the Nike Foundation, Nike, Inc. and the NoVo Foundation

The Nike Foundation invests exclusively in adolescent girls as the most powerful force for change and poverty alleviation in the developing world. The work of the Nike Foundation is supported by Nike, Inc. and the NoVo Foundation, a collaboration that has significantly broadened the impact of the girl effect. GirlEffect.org tells the story of girls creating a ripple impact of social and economic change on their families, communities and nations.

Mercy Corps

Mercy Corps helps people turn the crises they confront into the opportunities they deserve. Driven by local needs, our programs provide communities in the world’s toughest places with the tools and support they need to transform their own lives. Our worldwide team in 41 countries is improving the lives of 19 million people. For more information, see mercycorps.org.

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Executive Summary

Mercy Corps recognizes that globally, adolescent girls are often marginalized and disengaged from both local and national decision-making, leaving them isolated and powerless to affect change. Without opportunities, girls are more vulnerable to becoming disillusioned, which can lead to risky behavior and exploitation. Yet, adolescent girls present an opportunity. Adolescence - broken into developmental and programmatic segments of ages 10-14 and 15-19 - is a critical window in shaping positive norms and behavior that affect health and other adult outcomes. Given the benefits of working with adolescent girls, they are a strategic population to include in programming. Mercy Corps is using adolescent girl focused strategies to address their multi-dimensional marginalization, thus making the agency’s work around the world more effective and long lasting. Mercy Corps created the Adolescent Girl Opportunity Fund as a mechanism for Mercy Corps to deepen and broaden its experience working with adolescent girls. Adolescent Girls in Northern Nigeria: Financial inclusion and Entrepreneurship Opportunities Profile is a product of this Fund.

Information on adolescent girls in Northern Nigeria is minimal. Through this assessment, Mercy Corps profiled 1,800 adolescent girls (ages 15 to 19) across the North Western States of Kano, Katsina, and Jigawa to identify key barriers and opportunities for financial inclusion and entrepreneurship. This included:

- Mapping school enrollment and marriage rates.
- Examining the current access to, and demand for, formal and informal financial products as well as the presence of supporting services including business service providers, mentoring, and vocational and basic skills training.
- Determining potential sectors or areas of growth for entrepreneurship and assessing what opportunities girls are most interested in exploring.
- Assessing the relevance and applicability of m-banking potential as a means for financial inclusion.
- Determining a means of increasing the financial capability of girls, including the most appropriate materials and method of delivery.

Key Findings

Adolescent girls are engaged in economic activities. A third of respondents currently run their own business or have small economic activities in the informal sector and in female-dominated industries. The majority are based in handicrafts, followed home-based or family businesses, and restaurant or food sales. Two-third of respondents earned less than $6.36 a week (N1,000). Girls who run their own enterprise expressed a higher rate of control over their income than the overall assessment respondents with more than 94% reporting either full (52%) or at least partial control (42%) over how their income is spent.

Adolescent girls want to grow their existing business or start a business. Over three-fourths of the respondents want to grow their businesses or start a business. 73% of these same girls would want or need their business to be located in or around their home, followed by a market (21%), commercial district (3%), roadside (3%), or mobile (1%).

Government agency and state-run vocational training staff had a very limited view of the types of economic activities girls should be involved in pushing girls into over-saturated industries rather than focused on skills
Adolescent girls in Northern Nigeria: February 2013 | MERCY CORPS 2

and employment sectors in demand from the market. Mercy Corps found girls’ businesses were clustered around low-growth and low-return and traditionally female-dominated sectors such as livestock, tailoring, handicrafts, and basic food/meal production and sales.

Adolescent girls lack formal identification. Nigerian law requires the presentation of a birth certificate or passport to open a savings account or apply for credit from a commercial bank or microfinance bank. Only slightly more than half of the respondents have a birth certificate with 30% having no formal identification.

Adolescent girls have limited economic assets. 74% of girls do not have assets to either sell or use as collateral to start up an economic activity. Of the 36% girls with small assets, the highest response to what assets they could sell was livestock (47%) followed by jewelry (30%).

Adolescent girls participate in informal rotating saving and credit groups. 40% of girls participate in savings and credit groups. The majority of groups are small with 10 or fewer members, meeting twice a month with contributions of N100 or below (~ $0.65 USD) per interval, translating to the majority of girls saving a maximum of N200 per month. The majority of girls participate in savings groups to save money to start their own business or small economic activity (69%), to pay school fees (12%), household needs (10%), marriage (5%), and medical expenses (2%).

Opportunities to Engage with Adolescent Girls

Increase financial education and entrepreneurial skills: Mercy Corps recommends integrating financial education and entrepreneurial skills into school curriculum for in-school girls and savings groups and ‘Safe Space’ groups for out of school girls. It may be necessary to have spin-off curriculums for girls based on different literacy levels, as well as age groups or marital status. In addition to interacting with girls in school and through savings groups and ‘Safe Spaces’, Mercy Corps recommends using additional delivery mechanisms, especially radio and the medium-term potential for SMS or mobile phone based training. Mercy Corps sees clear opportunities to engage with vocational and skills training centers (governmental and non-governmental) to advocate for expansion for girls’ involvement in non-traditional sectors where there are higher asset-building opportunities and actual market demand.

Increase access to economic and financial assets: Adolescent girls in Northern Nigeria demonstrated a strong demand for financial products and services but currently lack access to, and knowledge of, formal financial institutions. Global evidence has found communities treat girls differently when they have higher economic (earning) potential, suggesting that developing economic assets is an effective way to increase financial inclusion.2

Savings: One of the key opportunities to increase financial inclusion for adolescent girls is the strengthening and expansion of savings habits and the increase of formal savings opportunities. 60% of respondents expressed an interest in learning saving techniques. Only 8% of assessment respondents currently have an account with a formal financial institution, yet 56% of overall respondents are interested in opening a bank account. Formal financial institutions, without a great deal of effort, can adapt the terms and conditions of existing savings products. This may include low-initial opening balances and monthly maintenance deposits, targeted marketing and outreach using various delivery channels to reach the highest number of adolescent girls, as well as initial institutional alignment (staff training, policies, branch hours, incentives for consistent saving).

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1 28% of the girls reported that additional members of their household participated in savings groups in addition to their contribution.
Credit: Adolescent girls already borrow money across the three states. Though 24% of respondents successfully borrowed money an additional 20% responded that in the past they unsuccessfully attempted to apply for formal credit. Girls lack the collateral or fixed-assets requirements for commercial banks, leading to a higher number of girls with potential demand for credit from microfinance institutions (MFIs) where personal guarantees or savings can be used as collateral. 49% of respondents want to learn how to effectively interact with financial institutions. Mercy Corps will include this as a key topic, including financial education curriculum, but also see an opportunity to take this further with select microfinance institutions and potentially microfinance banks (MFB) in the targeted regions (especially for girls 18 and over). On the demand side, we can also work with girls (building on the basic financial education materials) to provide opportunities to teach potential microfinance clients about client protection and their rights as clients so they are not taken advantage of by financial service providers and so they can act as informed and educated financial consumers. This includes strengthening girls’ capacity to understand loan products and financial services on the market, understand their repayment capacity and recognize why loan amounts are approved or not approved.

Direct Assets through Microfranchising Opportunities: Working is an economic necessity for many marginalised older Nigerian girls even with the cultural norms they face. However, girls want to expand their skills and engage in more lucrative enterprises but for them to leave their current work they would need both education and a proven and direct opportunity to increase her income. One such opportunity is through microfranchising. Based on a traditional business model, microfranchising bridges the gap between entrepreneurship and employment. A company with a product or service to market, such as a mobile phone company or internet cafe, licenses independent businesses to act at its retail agents. These micro-franchisees are given a “business in a box” and training (and sometimes start-up capital) on how to operate the business. They operate independently with a clear path into a larger value chain with an assured supply chain, low-cost inputs, training for managers and a trusted brand. This greatly reduces the risk of starting a new enterprise and can provide opportunities for girls to enter into non-traditional sectors.

It is against this backdrop that the survey examined adolescent girls in Northern Nigeria with critical emphasis on their financial inclusion and entrepreneurship opportunities.

“My dream is to get an education and have a good job. I want to be able to earn enough to have a better life.”

Fatima B. Kyari Mohammed for Mercy Corps

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Snapshot of Northern Nigeria

Nigeria is a poor country; it ranks 158th out of 182 countries on the Human Development Index and 118th out of 134 on the Gender Equality Index. Nigeria’s 80.2 million women and girls have significantly less life opportunities compared to their male counterparts. Unsurprisingly, gender imbalances on all levels of Nigerian society are widespread. Northern Nigeria – including the states of Kano, Jigawa, and Katsina where the assessment was carried out – follow the local interpretation of Islam under Sharia Law, which can be severe and constrain women’s and girls’ access to services and assets, their voices in the household, and their ability to influence the decision-making process. The Hausa dominated culture of Northern Nigeria is patriarchal and traditionally limits the roles of women in the formal economic sector and workforce. Men – brothers, fathers, male family members, and groups of male youth – define cultural concepts of shame, seclusion, and respectability, often controlling women's autonomy. However, women do participate in the largely cash-based economy in the informal sector linked to door-to-door hawking or home-based, low-return economic activities in trade, crafts, services, small family enterprises, and rural agriculture.

Women in Nigeria lag behind men in most indicators of socio-economic development. They comprise the largest share of the poor, unemployed, and marginalized. Net enrolment in primary education overall is 58% girls and 64% boys. For secondary education it is 22% girls and 29% boys. In the North, only 4% of females who complete secondary school manage to receive tertiary education. The disparity in gender equality is more pronounced in the North, where over half of all women are married by age 16 and are expected to have a child within the first year of marriage. Girls have limited access to the types of vocational training and skills acquisition that could improve their access to economic assets and overall financial security.

There is a wide gap between rural and urban women. 54 million of Nigeria's 80.2 million female population live and work in rural areas and they were reported to provide about 60% - 70% of the rural work force. Equally, pronounced regional disparities exist between the North and South. Nigeria is a poor country despite its oil wealth which is centralized in the South. Two out of three Nigerians live in poverty in the North compared to two out of five in the South. Human development outcome for girls and women are far better in the South. The poverty rate in the North West (where the assessment was carried out) reaches 77% compared to 59% in the South West and a national average of 69%.

The North West consistently ranks highest in terms of poverty and lowest in terms of economic growth. In Kano, roughly 75% of manufacturers went out of business in the 1990s. Less than one-fifth of Nigeria’s industrial capacity is in the North (of this 70% is in the Kano and Kaduna States) resulting in an economy built on micro, small, and medium business. Over 50% of Nigeria’s population of 150 million is under the age of 30. Youth unemployment is particularly high in the North West. One in 10 of the six million Nigerians who annually enter the job market do not find employment, resulting in these youth being classified as economically inactive whereas they are part of the large majority who make their living in the informal sector.

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4 Nigeria Operational Plan Annex: Gender Strategy
6 Nigeria: Gender Equality Challenges at a Glance (June 2011)
7 Olubunni, I. Y. A. (2008), Gender Dimension of Agriculture, Poverty, Nutrition and Food Security in Nigeria: NSSP Background Paper No. NSSP 005
8 Nigeria: Gender Equality Challenges at a Glance (June 2011)
9 National Bureau of Statistics, Nigeria Poverty Profile, 2010
10 USAID (2010), Politics by Other Means: Nigeria Conflict Assessment
11 Ibid.
Women and girls have less employment opportunities in the private and public sectors compared to the men. They face discrimination in the job market with men prioritized over women in hiring and salary. Nationally, the estimated earned income by women is half that of men and is proportionally much less in the Northern Zones.\textsuperscript{13} In the agricultural sector, Nigerian women contribute an estimated 60\% to 80\% of the total labor force. But, despite their significant contribution, they have minimal influence regarding farming decisions and lack the control of productive resources, especially land, collateral, skills and access to improved technologies.\textsuperscript{14}

**Financial Inclusion Landscape for Adolescent Girls**

**School Enrollment**

The assessment found 56\% of the girls out of school with 44\% enrolled in school. This is a higher enrollment rate than found in other studies in the North West zone, including a 2008 Population Council report that found 77\% of girls age 15-19 out of school.\textsuperscript{15} However, this is expected with the sample including a percentage of girls in school rather than a purely random sample. Several areas in the assessment in Jigawa State also cited increased enrollment rates linked to initiatives targeting school enrollment for girls.\textsuperscript{16} Not surprisingly, the majority of girls enrolled in school were found in urban (44\%) and peri-urban (50\%) settings. The lowest enrollment rates were found in Jigawa State and the highest in Kano State which also reflects the Ministry of Education\textsuperscript{17} and GirlHub Nigeria findings for this region. Of the girls currently not enrolled in school, 75\% reported being enrolled at some point in the past. The highest number of girls (34\%) were enrolled in or completed primary school, followed by junior secondary (26\%), Qur’anic or Islamiyya school (14\%), senior secondary (14\%), and vocational or technical school (12\%).

Girls ranked marriage or plans to marry as the primary reason for leaving school (37\%); followed by inability to pay school fees (30\%), pregnancy (5.7\%), and the need to work to within the household (5.4\%). Of the girls currently enrolled in school, 20\% have at least one child.

Parents of adolescent girls displayed mixed feelings about sending their daughters to school. In a focus group discussion (FGD) with fathers in Kano, the general opinion was that adolescent girls should be sent to at least primary school. However, in a FGD involving female parents in Jigawa, mothers expressed school should not be a priority for their daughters. Box 1 (next page) presents the opinions of parents concerning the education of their daughters.

\textsuperscript{13} Nigeria: Gender Equality Challenges at a Glance (June 2011)
\textsuperscript{14} Olubunmi, I. Y. A. (2008), Gender Dimension of Agriculture, Poverty, Nutrition and Food Security in Nigeria: NSSP Background Paper No. NSSP 005
\textsuperscript{15} The Adolescent Experience in-Depth: Using Data to Identify and Reach the Most Vulnerable Young People: Nigeria 2008; New York: Population Council, 2010
\textsuperscript{16} In an interview the DFID-funded Education Sector Support Programme in Nigeria (ESSPIN) in Jigawa State, enrollment of girls was up by 49\% from 2010 (27 September 2012)
\textsuperscript{17} Kano State has a 48\% gross secondary school attendance ratio compared to 18\% in Jigawa State
Box 1

PARENTS ATTITUDE TOWARDS GIRLS’ EDUCATION

… It is better to educate a woman than to educate a man. This is because they [women] bring up the children, so they [children] emulate them. A father from Kano.

… Who will give me money to be spending, if I allow her to go to school? She better go for hawking so that we can have some money to spend. I have no money to pay for her school fees. A mother in Jigawa.

In Jigawa State, several mothers of adolescent girls stressed that if an Islamic school was not available, they would prefer it if their daughter spent her time hawking. This is due to a mixture of concerns with what the non-Islamic school would teach the girls and is equally important, related to the high direct and indirect costs for the girls to attend Ministry of Education or private schools (referred to as ‘western schools’ in the discussions). Though mothers did place a value on education – at least on Islamic education – the girl’s ability to supplement the household income was prioritized.

For those girls enrolled in school, 2% paid their school fees themselves. The majority of school fees (67%) were paid by parents or guardians with 20% paid by the husband of married girls. None of the girls surveyed received cash (whether direct or a conditional or unconditional cash transfer) or scholarships to cover school fees. However, it is important to note that girls that earned their own money (whether ad hoc or consistently) were more likely to be enrolled in school (Table 1). This may be due to the fact that the girls contribute at least a portion of their income to the household, allowing the family to cover school fees or for the girls to pay for their own expenses (such as clothes) with the income they earn directly.

Table 1: School enrolment by weekly income

<table>
<thead>
<tr>
<th>Weekly Income</th>
<th>Number</th>
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</thead>
<tbody>
<tr>
<td>$6.35</td>
<td>35</td>
</tr>
<tr>
<td>$6.36 - $12.71</td>
<td>11</td>
</tr>
<tr>
<td>$12.72 - $19.06</td>
<td>33</td>
</tr>
<tr>
<td>$19.07 - $25.42</td>
<td>33</td>
</tr>
<tr>
<td>$25.43 and above</td>
<td>63</td>
</tr>
</tbody>
</table>
High Number of Girls/Over-age Girls in Primary School

Primary school age is 6 to 11 years while junior and senior secondary school is 12 to 18 years. Traditionally, by the age of 11 a child is expected to have completed primary school. Therefore, even though the overall school enrollment for the study was 44%, the number can be misleading as 24% of 15 years olds and 67% of 16 year olds were enrolled in primary school. This translates to 36% percent of girls in primary school (predominantly in rural and peri-urban areas) and 19% in junior secondary (more than half or 55% of the girls enrolled in school are overage). High rates of over-age enrollment are common in Nigeria, especially in primary school and have potential implications related to timely progression and completion of basic education. There is a high risk that these girls will dropout, as they are over-age and enrolled in a level which is low for their age. Adolescents who fall behind, due to late entry into primary school or grade repetition (or a combination of the two), are at a significant risk of dropping out of school, often to be married or to work to support the household (see below).

Table 2: School enrolment by age

<table>
<thead>
<tr>
<th>Age</th>
<th>15 years</th>
<th>16 years</th>
<th>17 years</th>
<th>18 years</th>
<th>19 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary</td>
<td>24</td>
<td>38</td>
<td>30</td>
<td>20</td>
<td>44</td>
</tr>
<tr>
<td>Junior Secondary</td>
<td>5</td>
<td>14</td>
<td>3</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Senior Secondary</td>
<td>10</td>
<td>9</td>
<td>3</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Technical/Vocational</td>
<td>11</td>
<td>2</td>
<td>2</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>Islamiyya</td>
<td>12</td>
<td>17</td>
<td>11</td>
<td>4</td>
<td>8</td>
</tr>
</tbody>
</table>

Table 3: School enrolment in different education levels by location

<table>
<thead>
<tr>
<th>Location</th>
<th>Primary</th>
<th>Junior Secondary</th>
<th>Senior Secondary</th>
<th>Technical/Vocational</th>
<th>Islamiyya</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rural</td>
<td>36</td>
<td>24</td>
<td>6</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Peri-urban</td>
<td>35</td>
<td>14</td>
<td>2</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Urban</td>
<td>33</td>
<td>21</td>
<td>11</td>
<td>3</td>
<td>0</td>
</tr>
</tbody>
</table>

**Ability to read/send basic messages**

The self-described basic literacy rates among the three locations were encouraging though higher than expected for the region. Findings showed 60% of the girls in rural and urban locations said they could comfortably read and write basic SMS messages. For girls in peri-urban locations, this rate rose to 75%. However, further probing revealed that the majority (77%) of the girls could read and write only in Hausa, while 14% said that they could read and write in English (see Table 4). 8% of the girls could also read and write in Arabic, largely because the language is taught at Islamiyya and traditional Qur'anic schools.

<table>
<thead>
<tr>
<th>Table 4: Languages the girls could read and write</th>
</tr>
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<tbody>
<tr>
<td>Other</td>
</tr>
<tr>
<td>Arabic</td>
</tr>
<tr>
<td>Hausa</td>
</tr>
<tr>
<td>English</td>
</tr>
</tbody>
</table>

**Marital Status**

In Northern Nigeria, girls are married as early as 12 years of age and polygamy is common and allowable under Sharia Law. Early marriage in the North is attributed to both cultural and religious factors. Over half of the women in the North are married by the age of 16. In Nigeria, a child can consent to sex at age 16 and it is not illegal for a man to have sex with a girl under age 16 if he intends to marry the girl. The Nigeria Marriage Act states that young people must be at least age 21 to marry without parental consent but there is no minimum age for which parents cannot give consent, allowing girls to be married at any age. The survey found that among the three states 27% of girls were married with marginal numbers engaged (1.3%), widowed (1.1%), or divorced (1%). Of the married respondents, less than half (45%) were the first wife. The majority of girls were the second wife (51%) followed by the third wife (3%) and fourth wife (2%). Girls tend to be much younger than their husbands. The age difference increases for second, third, and higher wives. The Population Council found 97% of girls' husbands in North West were typically 10 years or more older than the girl herself, with only 2% less than 10 years older, and a minimal 1% the same age. This age disparity can reinforce the girls' lack of decision making power in the marriage.

Though only a small percentage officially claimed they were engaged, a higher percentage is likely promised to be married. Girls also expressed in focus groups, that if they were not married, they had boyfriends (typically older). When asked with whom they lived, 60% lived with both parents, 31% lived with their husband or with their husband's family and the remaining percentage lived with extended family members or alone.

Table 6 details the marital status of the girls by age. Of the 27% of married girls, 32% married before age 15, while the majority (55%) married between the ages of 15 and 17. In all three states, the majority of girls married between the ages of 15 and 17 with the highest rate in Katsina (69%) followed by Jigawa (47%) and Kano (32%). These findings were supported by parents interviewed in both Kano and Jigawa states, where parents were of the opinion that girls should marry by age 20 and as early as 13. In one exception, a father in Jigawa claimed girls should be married between age 9 to 11 as Islamic teaching require girls to marry when they reach puberty. However, within the same focus group, another father countered that there is no basis for marrying girls at puberty but rather a cultural tradition. He felt the more appropriate age for marriage was between ages 18 to 19 for healthy child-bearing. In Katsina state, parents wanted their daughters to get married between ages 13 and 19.

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20 Nigeria: Gender Equality Challenges at a Glance (June 2011)
17 and in several cases involved the girl in the husband choosing process; however, they felt that having children within the first year of marriage should be a priority and ‘determined by Allah without the use of contraception’. Cultural norms dictate girls are expected to have a child within the first year of marriage no matter their age leading to child care responsibility in addition to the household responsibilities already required by either parents or husbands and mothers-in-law for married girls. Across Jigawa and rural Kano, the father decides when his daughter should be married and to whom. In the death or absence of the father, the decision falls on the mother or a male relative. In focus groups, girls also expressed the large role older brothers and male relatives play in the decision of when and who they should marry.

Over half the married respondents (53%) reported having at least one child (36%) followed by two children (12%), three children (3%), and four or more children (2%). An additional 12% of married girls with no reported children and unmarried girls stated they were pregnant at the time of the interview.

When the topic of marriage was broached to adolescent boys, they all agreed their female counterparts should either be married or on the path to marriage by age 15 and married by age 20 to deter them from having pre-marital sex or being involved in other ‘unwanted practices’ which would ruin their reputation or limit their chances at marriage.

**Table 5: Girls marital status by state**

<table>
<thead>
<tr>
<th>State</th>
<th>Married</th>
<th>Single</th>
</tr>
</thead>
<tbody>
<tr>
<td>Katsina</td>
<td>41</td>
<td>55</td>
</tr>
<tr>
<td>Kano</td>
<td>23</td>
<td>73</td>
</tr>
<tr>
<td>Jigawa</td>
<td>6</td>
<td>92</td>
</tr>
</tbody>
</table>

**Table 6: Girls marital status by age**

<table>
<thead>
<tr>
<th>Age</th>
<th>Married</th>
<th>Single</th>
</tr>
</thead>
<tbody>
<tr>
<td>15 Years</td>
<td>16</td>
<td>80</td>
</tr>
<tr>
<td>16 Years</td>
<td>20</td>
<td>79</td>
</tr>
<tr>
<td>17 Years</td>
<td>45</td>
<td>50</td>
</tr>
<tr>
<td>18 Years</td>
<td>16</td>
<td>80</td>
</tr>
<tr>
<td>19 Years</td>
<td>40</td>
<td>53</td>
</tr>
</tbody>
</table>

22 The 2008 Population Council in Northwest Nigeria only 3.2% of married females ages 15 to 24% reported ever using a method of contraception.
Financial Inclusion – Demand Side

Findings revealed that to a large extent, adolescent girls currently lack the formal financial capacity and confidence to manage their financial resources, particularly in regard to formal financial services and levels of financial education. This is not surprising as the majority (72%) of the girls report no formal skills in personal financial capacity such as managing day to day expenses, financial planning for life cycle events or have not been introduced to the concepts of assets, capital formation or wealth creation.

Financial Capacity

As part of the assessment, girls were asked a series of questions to gauge their levels of financial capacity related to monthly income and expenses and short and long term planning. Key findings included:

- 53% could not identify the purpose of or use a budget. Among those who knew, 49% never used a budget in managing their money or to plan their expenses.
- 63% could not detail how much they earned on average each month.
- 87% responded they do not record or write down how much they spend each month and were uncertain if they spent (on average) more than they earned.
- In terms of planning ahead, one-third (30%) of the girls responded positively to planning her monthly expenses in advance while the majority (65%) implied they only planned ahead on occasion, usually linked to holidays or related to a wedding or the birth of a child.

Girls were asked to detail their level of comfort and knowledge to identify and interact with formal financial institutions (such as a bank, MFI, or MFB). Mercy Corps wanted to understand the girls’ current ability to assess potential financial products, especially credit (Table 7). Girls responded inquiring on the duration (30%) and frequency of payments (41%) with less than 4% inquiring on the interest rate and the remaining quarter (25%) unclear on what (if any) questions to ask. The girls were also asked about the main point to consider when deciding how much money to borrow from an institution (Table 8). 32% responded they would ask for the highest amount available, 28% would calculate how much money they needed for their business and 11% would review their income and expenses to see how much they could afford. Over a quarter (29%) did not have a response on what to consider.

Table 7: What question should you ask before borrowing money from a financial institution?

<table>
<thead>
<tr>
<th>Duration of Payment</th>
<th>Frequency of Payment</th>
<th>Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>30</td>
<td>41</td>
<td>4</td>
</tr>
<tr>
<td>I don't know</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 8: Before borrowing money, how would you decide how much to borrow?

<table>
<thead>
<tr>
<th>Ask for the highest amount available as loan</th>
<th>Calculate how much money I need</th>
<th>Review my income and expenses</th>
<th>I don't know</th>
</tr>
</thead>
<tbody>
<tr>
<td>32</td>
<td>28</td>
<td>11</td>
<td>29</td>
</tr>
</tbody>
</table>
Girls were asked to calculate a simple equation related to interest rate to gauge their numeracy skills and basic understanding of interest rates. The overwhelming majority of girls (77%) calculated the end balance incorrectly or did not know how to answer the question, raising questions of current numeracy levels (Table 9).

<table>
<thead>
<tr>
<th>I don't know</th>
<th>More than N500 ($3.50)</th>
<th>Between N500 ($3.18) and N550 ($3.50)</th>
<th>Less than N500 ($3.18)</th>
</tr>
</thead>
<tbody>
<tr>
<td>25</td>
<td>42</td>
<td>23</td>
<td>10</td>
</tr>
</tbody>
</table>

**Authority in Household Decision Making**

The study revealed that 44% of girls did not know whether or not their household had sufficient money in savings to cover one month expenses in case of an emergency. However, this response is unclear as the majority of girls also responded that they were not involved in the decision making process of how money is spent in their household. The decision-making is led by the girls’ parents (64%) or, if married, their husbands (22%) with a smaller number reporting making joint decisions with their husbands (7%) and an even smaller percentage making the decision themselves (5%).

**Economic and Financial Assets**

One of the key barriers for adolescent girls in Nigeria, and worldwide, is a lack of opportunity to accumulate and control economic assets. As cited in several meetings with financial institutions and focus groups with parents, women and girls in the three states often require prior consent of the female's husband before requesting a loan. However, the girls themselves reported that they felt their parent or husband would give them permission (57%) to engage with a financial institution. Based on discussions with parents, this level of approval seems high. Girls were asked a series of questions to understand the extent they have accumulated assets to be used for various purposes (see Table 10). Though the majority of girls (ranging between 63 to 73% based on the question) did not have financial assets they could sell to meet their financial needs – over a third replied in the positive.

**What is an Economic Asset?**

Economic assets for women and girls in this assessment refer to physical and financial assets from which benefits may be derived by gaining ownership and having control over time. The primary example used is **Financial Assets** which include cash and its equivalent, savings, bank accounts, rent, vouchers, and scholarships. Additional economic assets include: **Land, Livestock, Housing, Business** assets, and other **physical assets** such as vehicles, communication devices, and jewelry.

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23 Dickson, K and Bangpan, M (2012), Providing access to economic assets for girls and women in lower and middle income countries. A systemic review of the evidence. London: EPI-Centre, Social Science Research Unit, Institute of Education, University of London.
When the 36% of girls that have small assets to either sell or use as collateral to start up an economic activity or business were further probed, the highest response to what assets they could sell was livestock (47%) followed by jewelry (30%). (Table 11) Livestock is not a surprising answer as all three states are dependent on agriculture, with the assessment targeting pastoral areas where women dominate in low-paid and low skill positions. It is noteworthy, however, that 15% of girls felt they could use land as an asset, as lack of land ownership and land title is a major barrier for Nigerian women.24 Land ownership is determined by a patchwork of local customs and legislation across the country.25 Men have five times more likelihood of owning land than women and in rural areas women’s rights of access are still regarded as secondary to those of men mediated via the patrilineal system.26 Women formally own just 10% of land in Nigeria’s rural areas and even less in urban areas (6%).27

24 54 million Nigerian women are based in rural areas and make their living from the land. They also have the largest share of Nigeria’s rural labor force representing about 60% - 80%, in the agricultural sector, despite their contributions; women have been relegated in terms of the control of farm decisions and productive resources, especially land, collateral, skills and access to improved technologies.

25 USAID, Politics by Other Means: Nigeria Conflict Assessment (August 2010).


27 Ibid.
Experience with Informal Financial Services

**Savings:** Almost 40% of respondents (38%) participate in informal rotating saving and credit groups - known as *Adashi* in Hausa. The overwhelming majority of the girls participate in *Adashi* groups of 10 or less members (88%) contributing savings twice a month (57%), followed by once a month (31%), and a small portion (9%) contributing more than three times a month or weekly. 95% of girls report contributions of N100 or below (~$0.65 USD) per interval, translating to the majority of girls saving a maximum of N200 per month. The majority of girls participate in *Adashi* to save money to start their own business or small economic activity (69%), to pay school fees (12%), household needs (10%), marriage (5%), and medical expenses (2%). This demonstrates a strong demand by adolescent girls to engage in entrepreneurial activities. It should be noted that in several focus groups, girls expressed dissatisfaction with their *Adashi* group, citing lack of trust between members, lack of transparency in governance mechanisms, and several instances of members dropping out when they received their initial credit.

**Table 12: Primary purpose of Adashi**

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>School fees</td>
<td>12</td>
</tr>
<tr>
<td>Start a business</td>
<td>69</td>
</tr>
<tr>
<td>Medical expenses</td>
<td>2</td>
</tr>
<tr>
<td>Household needs</td>
<td>10</td>
</tr>
<tr>
<td>Marriage</td>
<td>5</td>
</tr>
<tr>
<td>Others</td>
<td>2</td>
</tr>
</tbody>
</table>

Of the total girls surveyed, an additional 10% save money with Asusu (money keepers), signifying that almost half of the survey respondents currently save money on a monthly basis. Girls savings with Asusu/ money keepers demonstrated a higher capacity to save with almost half (46%) saving between N1001 ($6.36) and N5000 ($31.78), 17% saving between N10,000-N15,000 per month ($63.55 - $95.33), and 13% saving up to N20,000 ($127.11) and remaining evenly split between saving less than a N1,000 or over N20,000. The girls who use money through Asusu preferred the flexibility to remove your money when you want versus the savings and credit cycle in *Adashi*. In the focus groups, fathers also noted Asusu were the most common means to save money for their daughter’s marriage. When asked what sources of funds they could make available in case of an emergency or unexpected expense, over half (53%) of the girls felt they could dip into personal savings followed by a quarter (25%) who could borrow from friends and relatives. 14% felt confident they could get funds from a financial institution while 1% said they would resort to begging. Based on feedback from the focus group discussions, the likely number of girls that would resort to begging is higher than reported. Both parents and girls claimed it is common for girls to beg house to house to supplement their family’s household income or to supplement what they bring to their husband’s home at the time of marriage. The ability to access funds through a financial institution in case of an emergency also seems unrealistic based on the actual number of girls with experience interacting with financial institutions and the lack of collateral girls reported (see below).

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28% of the girls reported that additional members of their household participated in *Adashi* in addition to their contribution.
Credit: In addition to receiving small loans from Adashi, an additional 24% of girls borrowed money within the last year. The majority of funds came from family or friends (47%), followed by an MFI (36%)[29], a moneylender (14%), bank (2%), or shopkeeper (store credit) (2%). The primary reason for the loan was to pay other debts (35%) followed by expenses for a family event or festival/holiday (26%), to start a business or economic activity (20%), followed by small numbers of girls who wanted to purchase consumer goods or pay for household needs or marriage. Over 90% of the girls borrowed N500 or less and repaid the loan within a month (72%), within a week (20%), or within 6 months (10%).

Experience with Formal Financial Services

As demonstrated from the quantitative survey and focus group discussions - adolescent girls, as well as their male counterparts and parents – have limited experience with formal financial services including banks, MFB, MFI, and insurance companies. As noted above, only 2% (or 8 respondents) had accessed a loan from a bank and only 155 (36%) from an MFI, which is extremely low considering the demand for financial services from respondents. When asked if they had tried to borrow money (prior to the last year) 20% had tried to get credit with half of those turned down. Girls felt this was due to their lack of relationship with the bank (35%), or because they could not demonstrate repayment capacity (23%); lacked collateral (20%); did not receive parent or husband approval (12%); or were turned down for religious reasons (5%).

On a national level, only 15% of women in Nigeria have bank accounts.[30] It is not surprising then that 92% of respondents do have a bank account. Nigerian law requires a person to be 18 to open a bank account unless they have written parental permission. Of the 8% of girls with bank accounts, more than half live (51%) in urban areas and deposited funds at least twice (61%) in the previous three months. A positive sign that the accounts are not dormant and the users - although a small percentage of the total surveyed - save in formal financial institutions. Focus groups with adolescent boys found a much higher rate of interactions with banks, including one discussion in Jigawa State where all of the boys involved had savings accounts at various banks with between N5,000 ($31.78) to N10,000 ($63.55) in reported savings.[31]

When girls were asked if they were interested in opening a bank account, more than half (56%) responded positively but also expressed (1) the lack of banks within acceptable traveling distance and (2) that lack of knowledge of how to interact with a bank would limit their ability to open an account. The remaining girls – those not interested in opening an account (47%) – had expected responses based on focus group findings. Girls felt they had no need for a bank account (41%), did not know how to open an account (33%), lacked a husband’s or parent’s approval (24%), or could not open one for religious reasons (2%). In Jigawa and Katsina, and in rural areas in all three states, the percentage of girls that would be restricted by their parents or their husband was much higher than in Kano or urban areas.

None of the girls interviewed had used mobile or e-banking products.

A surprisingly low percent (14%) reported receiving remittances from within Nigeria or abroad. Of those that did receive remittances, the majority (60%) received less than $32 in the past year, followed by $95 to $127 (15%) and more than $127 (13%).

[29] Note an MFI in Nigeria refers to a non-bank financial entity not regulated or supervised by the Central Bank of Nigeria and include financial cooperatives, self-help groups, and financial community based organizations or non-profit organizations.
[31] Boys reported having accounts with Union Bank, Zenith Bank, GT Bank, and Nigerian Agricultural and Cooperative Bank.
**Table 13: Reasons for not having bank account**

<table>
<thead>
<tr>
<th>Reason</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>I don't need one</td>
<td>12</td>
</tr>
<tr>
<td>I don't know how to open one</td>
<td>29</td>
</tr>
<tr>
<td>Prevented by husband/family</td>
<td>5</td>
</tr>
<tr>
<td>Religious reasons</td>
<td>1</td>
</tr>
<tr>
<td>No bank on the location</td>
<td>4</td>
</tr>
<tr>
<td>Others</td>
<td>18</td>
</tr>
</tbody>
</table>

**Girls’ Views on Bank Accounts**

…I don’t have a bank account, I prefer to keep my money at home so that anytime I need it I can have access to it. Shamsiyya, 18 years old; secondary school graduate in Kano.

…There is no bank in this town, we only hear of Danmarke Community bank which is very far from here… Maryam, 19 years old girl in Kano; never attended formal school.

…I never tried to open an account with any bank; we only see bank advertisements on television. 17 year old girl in Jigawa; never attended school.

**Income and Expenses**

64% of the girls across the three states did not have any regular source of income. Of the 36% with a regular source of income, the majority brought in less than $6.36 (N1,000) a week (Table 14). The majority of the girls earn income through jobs selling or hawking handicrafts (48%), working in a home-based business (17%), working in agriculture (9%), working in a restaurant or selling food (7%) with minimal responses including apprenticeships, wholesale or retail trade, clerical work, or a job in the civil service. When questioned how they spend their income, almost half (47%) responded to spending their money on personal items (including items most notably clothes, sugar cane and fruits).

The remaining girls reported that most of their income was spent on their household (28%), health care needs (21%), care for their children (2%), marriage or wedding expenses (1%) or their own school fees (less than 1%). During the focus groups, girls in Jigawa States openly discussed that most of their spending money came from boyfriends, mothers, and grandmothers. Girls also reported having control over how their income was spent: full control (39%) and partial control (35%). The remaining quarter reported having no control over how they spent their income. This last group reported that either their older male siblings or fathers controlled their income.
The North West has the highest number of unbanked adult Nigerians (87%) and the lowest number of bank branches per capita (0.8 bank branches per 100,000 people) with Katsina and Jigawa the lowest in the country. In early 2012, the Central Bank of Nigeria (CBN) released the National Financial Inclusion Strategy for 2020 which set a goal to increase both access to and use of financial services across Nigeria from the current rate of 36% to 70% by 2020. Under this Strategy, financial inclusion is 'achieved when adults have easy access to a broad range of formal financial products according to their needs and provided at affordable cost.' The Strategy looks to decrease the main barriers for financial inclusion across Nigeria: low usage due to low-income, long distances to branches, low financial literacy, high cost of financial products, and demanding eligibility requirements. The long-term implications on financial inclusion for adolescent girls is yet to be seen as the Strategy has only just been released; however, several of the key components clearly apply: a risk-based tiered framework for Know Your Customer (KYC) regulation (which may simplify the process to open a savings or checking account or apply for credit), the development of a regulatory framework for agent banking to enable the expansion of financial services delivery outside urban centers; strengthen levels of financial consumer protection and financial literacy; and the promotion of ‘no frills’ bank accounts for low-income customers. CBN considers savings products and payment systems as the most important product for financial inclusion, recognizing that the current emphasis is currently placed on credit.

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32 This section is not a comprehensive overview of financial inclusion in Northern Nigeria; rather a snapshot of services currently available to adolescent girls in Kano, Jigawa, and Katsina States.
Prior to the Strategy, the Nigerian government passed several policies in recent years to increase financial inclusion across the country, though implementation has not always reached the intended targets. Two policies are highlighted below:

**Microfinance Policy, Regulatory and Supervisory Framework:** Launched by the CBN in 2005 and revised in 2011, it provides the legal structure for supervision of microfinance banks (MFBs). The National Microfinance Development Strategy (2011) was initiated by the CBN with support from the UNDP to further develop the microfinance industry in Nigeria. The strategy focuses on strengthening MFBs and MFI’s as the providers of financial services to low-income populations. The Revised Microfinance Policy (2011), provided for the establishment of a Microfinance Development Fund with a key target of eliminating gender inequality promising women’s access to financial services.34

**Small and Medium Enterprises Development Agency of Nigeria (SMEDAN):** Established under the Federal Ministry of Commerce and Industry, the agency promotes the development of the micro, small and medium enterprises (MSME) sector including the establishment of Business Support Centers (BSCs) to provide model business planning skills, mentoring professional service such as accounting, financing and book keeping.

**Islamic banking:** 22.8 million adults (27% of the total adult population) said that they would be likely (very likely and somewhat likely) to use Islamic/Sharia compliant banking products if introduced in Nigeria.35 Despite no specific act currently governing non-interest banking, the CBN issued its framework for the regulation and supervision of institutions offering non-interest financial services in Nigeria in January 2011. In June 2011 CBN granted approval to Stanbic IBTC to operate an Islamic banking window and issued a regional license to Jaiz Bank to operate an Islamic bank. The World Bank is also currently assisting the Pension Commission (PenCom) to review its investment guidelines and the National Insurance Commission (NAICOM) was scheduled to finalize guidelines for Islamic insurance (Takaful) by July 2012.36

**Mobile Payment Services:** In 2009, the CBN issued the Regulatory Framework for Mobile Payments Services in Nigeria to guide activities in mobile payments services. Though mobile money and e-banking initiatives are taking hold at a rapid pace, uptake outside Lagos, Abuja, and the South has been limited to date with no respondents having used these products in the assessment. Mobile telephone payment platforms may have the most dramatic effect in increasing the volume and value of electronic payment transactions. The most common mobile banking products currently offered are by private switch operators for bill and retail payments, funds transfer to bank accounts, and mobile accounts or prepaid cards. Support for ‘e-wallets’ to store funds in mobile phones for payments and fund transfers is also growing with a March 2012 approval for farmers to purchase fertilizers and seeds. At present, 20 mobile money licenses have been granted,37 the nascent regulatory framework does not permit mobile network operators (MNOs) to establish mobile money schemes without partnering with a bank or other separately licensed mobile payments service provider, limiting expansion and scale.38

As part of the formal assessment, the team met with financial institutions across the three states, including commercial banks, MFB, and MFI. Mercy Corps found that service delivery or financial products are not adapted to meet the demand of potential female clients, in general, and not of young adults. Throughout the various survey instruments, girls consistently cited either lack of banks within a reasonable distance or lack of knowing how to interact with commercial banks or MFB as primary reasons that they have not tried to open a savings account or tried to apply for credit. The majority of bank, MFI, and MFB branches are largely located in urban centers, limiting

35 EFInA A2F 2010 survey
37 Half of the licenses have been given to banks, including United Bank of Africa (UBA), Stanbic ITBC, GT Bank, Eko, Zenith and First Bank, as well as microfinance bank Fortis. The more active non-bank license holders are Pagatec, Eartholeum, Etranzact and Funds & Electronic Transfer Solutions (FETS).
38 Mercy Corps’ Nigeria Mobile Money Sector Assessment with Bankable Frontier Associates (October 2012)
access to rural and peri-urban clients and especially for adolescent girls who have may have limited freedom of movement due to cultural norms as well as the lack of resources for transport costs. Another barrier is the lack of formal identification. Nigerian law requires the presentation of a birth certificate or passport to open a savings account or apply for credit from a commercial bank or MFB. Only slightly more than half of the respondents have a birth certificate (52%), followed by a National ID (11%), school ID (6%), or driver’s license (1%). The remaining 30% either have no formal identification (17%) or none corresponding to survey options. For the larger banks interviewed as part of the assessment, there was no marketing or financial products targeting women; however, several Nigerian commercial banks (Access Bank, Diamond Bank, and Union Bank) have launched child-focused savings accounts for those 18 and younger (see Section 4). Girls often lack the collateral or assets requirements for commercial banks, leading to a higher number of girls with potential demand for credit from either MFIs or MFBs.

**Snapshot of Microfinance Banks:** The National Financial Inclusion Strategy looks to the country’s 866 MFBs as a key driver to increase savings, credit and payment systems to Nigerians as they tend to be closer to the clients and are more likely to have relations with clients at the local or community level than a commercial bank branch. However in 2010, MFBs only reached 4% of the adult population (or 3.2 million people) nationwide. Only 5% of Nigeria’s MFBs are located in North West Nigeria (51 MFBs out of 866) and those, as they are nationwide, tend to be single branch institutions.

Mentioning the CBN’s push to increase financial services for women, an MFB in Jigawa noted plans to reach at least 100 women associations in the area that could be potential clients in the future, especially women involved in various points along the groundnut value chain but especially in groundnut oil processing. Another MFB in Jigawa felt that girls under the age of 20 were too young to start a business, however they noted plans to start outreach directed at female clients, seeing a demand for women-led businesses in tailoring, and had recently provided credit for a group of women to purchase a refrigerator for a juice stand as well as televisions for a DVD store. As an MFB, individuals are also able to open savings accounts. MFBs offer individual loans of up to $3178 (N500,000) and business loans of up to $6,355 (N1 million). They allow clients to provide a guarantor in principal, but for first-time clients or a client without contacts within the MFB, collateral is required. They don’t currently provide formal consumer education for their products, but see potential to do so in the future, especially with the push from the Central Bank. As an MFB, they don’t conduct any e-banking but hoped to start mobile backing by late 2013. In addition to collateral, MFBs may also require relevant certificates from the Cooperate Affair Commission (CAC) demonstrating the client has a formally registered business license.

A slightly larger MFB in Kano noted that they provide group loans to women and offer both savings and checking account services, though uptake was minimal. Their individual loan products averaged $318 (N50,000) (with a minimum of $636 or N10,000) and allowed group loans (of up to 10 women) to $3,178 (N500,000) and groups of 20 up to $6,355 (N1 million). For higher value loans, clients were required to produce a guarantor, a ‘small asset’, as well as a character witness (preferably someone known by the bank to vouch for the client or at a minimum the client’s family). Clients were also required to provide a business plan and proof of ownership or rental for a proposed business site (if outside the home). The MFB provided basic financial education services including entrepreneur training and bookkeeping.

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40 Ibid.
This interview mirrored interviews with MFB throughout the three states.

**Snapshot of Microfinance Institutions:** MFIs (also referred to as non-bank MFIs) are not regulated or supervised by the CBN. MFIs may include financial cooperatives, self-help groups, trade associations, credit unions, and financial community based organizations or non-profit organizations. There are 671 registered MFIs across Nigeria but realistically the number is much higher because of those not formally registered with the CBN.

Several small MFIs in both Jigawa and Kano noted targeting female clients starting at age 18; however, these were small scale and linked directly with vocational or technical training centers. Most had at least 50% female clients; some as high as 80%. Girls and young women participated in three to six month trainings in their potential fields. Tailoring and groundnut oil production were the most common, followed by textiles, soap making, general trading, and poultry (especially in the rural areas). Most had 50 to 150 clients a year with loans between $127 to $318 (N20,000 to N50,000). However, for common loan uses such as sewing machines, the loan size is linked to the market value without other business startup expenses. Loan sizes were based on the age of the client as well as their past experience in work or running a business. Girls are allowed to use a guarantor plus the completion of their training as a loan guarantee rather than collateral, as required by the MFBs. In most cases, girls must also provide written approval from either a parent or their husband that they allow the girl to take the loan and agree she will repay. Smaller MFIs often provide basic financial education as part of the credit process.

**Financial Education Training**

Mercy Corps found several MFBs and MFIs providing basic guidance to their clients in relation to loan management related to the loan repayment, and in some cases, basic budgeting. Several have also focused on opening savings accounts for clients linked with basic savings principles to increase the habit of saving in their clientele. We did not encounter any institution with a comprehensive training for clients. However, citing the National Financial Inclusion Strategy, many institutions interviewed plan to increase their level of training to clients, though none were clear on the exact format at the time of the interviews.

In June 2012, the CBN released the *Exposure Draft of Financial Literacy Framework in Nigeria* which details a five-year plan to increase financial inclusion with initiatives targeting five groups: ‘children, youth, and undergraduates; educated Nigerians outside the school system; uneducated or illiterate Nigerians; financial service providers; and policymakers, regulators and other key stakeholders’. The Framework is built around seven key objectives to increase the level of financial literacy and overall financial inclusion in Nigeria. The objectives are straightforward and applicable to both in and out of school adolescent girls on both the supply side (a client’s ability to understand incomes and expenses, wants versus needs, basic terminology and definitions) and demand side (consumer education on their rights and obligations when they enter into financial transactions to minimize client indebtedness, increase ability of individuals and business to generate and save income, and a framework for stakeholders on their role in increasing levels of financial literacy). Having just been announced, it is not possible to gauge the impact the Framework will have in the short or long term, but it holds great promise knowing that the majority of the financial institutions interviewed were aware of the overall Financial Inclusion Strategy as well as the Financial Literacy Framework. The Strategy also puts an emphasis on youth and commits that 30% of Nigeria’s schools will adopt a financial literacy curriculum by 2015. The CBN also used the recent Child and Youth Financial International Africa regional meeting – held in Abuja in October 2012 – to formally launch the framework with speakers from the CBN, the Ministry of Education, and the Ministry of Women’s Affairs.

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42 [www.childfinanceinternational.org](http://www.childfinanceinternational.org)
As part of the assessment, Mercy Corps did not find many entities (financial institutions, NGOs, or paid service providers) offering financial education at any scale but did encounter several entities working in other areas of Nigeria or offering financial education as a component of a larger development program (See Section 4).

Entrepreneurship

Nigeria has one of the lowest rates of female entrepreneurship in sub-Saharan Africa concentrated in casual, low-paid informal sectors.\(^{43}\) Nationwide, women run only 20% of enterprises in the formal sector\(^{44}\) but a higher percentage in the informal sector. Across Nigeria, 23% of male and female adults cite ‘owning a business’ as their main source of income, ahead of farming (19%), and wage employment (13%).\(^{45}\) Entrepreneurship for women and, in turn, adolescent girls offers strong potential to increase access to and ownership of economic and financial assets. However, barriers exist on several levels as under Hausa cultural ethics it is traditionally the male head of the household who works and provides for the family defining women as consumers rather than producers.

Sectors Where Adolescent Girls See Business Potential

Girls are especially interested in selling handicrafts. This is a general term that includes tailoring, basket and mat weaving, bead making, knitting as well as the production of soaps and detergents. Tailoring was consistently the most common cited area by girls as well as vocational and skill centers followed by poultry in the rural areas. In addition to handicrafts, there were a wide number of food products girls sell from their homes or hawking. The most common include: fried beans or soya cake (kosai or awara), fruit and juice (kunun tsamiya and zobo), soup and stew ingredients, groundnut cake and oil (kulikul), local spaghetti (taliya), beans dish (moi-moi), or local sweets (Dantamatsitsi) especially around festivals. Girls were also interested in hair plating and henna design (kunshi) around weddings and family celebrations. Girls, especially in urban areas and of higher levels of education, see opportunities in selling recyclable materials as well as second-hand clothes (gwanjo), and small phone call centers and kiosks to sell mobile phone recharge cards, soda, water and small snacks.

Adolescent girls are engaged in economic activities across the three states. 31% of girls responded that they currently run their own business or have small economic activities with the majority in the informal sector and in female-dominated sectors. The majority are based in handicrafts (52%), followed by carrying on a home-based or family business (16%), restaurant or food sales (8%), and formal wholesale or retail (5%). Weekly profits are low with 59% earning less than N1,000 a week, followed by N1,000-N2,000 (35%), and less than 1% earning over N4,000. The highest number of girls involved in these activities are concentrated in Jigawa followed by Katsina, and Kano.

Girls in this category expressed a higher rate of control over their income than the overall assessment respondents with more 94% reporting either full (52%) or at least partial control (42%) over how their income is spent. However, trends for how they spent their income was similar to those in the wider assessment: personal items (54%) and household needs (38%) being the most common.

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44 Ibid.
An overwhelming 78% of the respondents either want to grow their existing business or start a business of their own following the pattern of existing businesses with interest focused on handicrafts, though a higher percentage are interested in agriculture at 5% (See Table 15). These types of activities coincide with the findings that 73% of these same girls would want or need their business to be located in or around their home, followed by a market (21%), commercial district (3%), roadside (3%), or mobile (1%). In parent focus groups, especially in rural areas, the majority of fathers interviewed said that they would allow their daughter to run a business, but it would need to be inside or near the family’s home. However, in separate focus groups, mothers tended to be more open to the idea of girls hawking or running small shops to supplement the household income outside of the home. In Hausa society, it is customary for a bridegroom to expect his bride to bring household items to his home upon marriage. Mothers, especially those that are in purdah, often allow their daughters to earn extra income as street or door-to-door hawkers. When asked what they would like to sell, the responses were similar in the three states. Girls focused on small-scale activities that could be produced and sold from the home, around the home, or door-to-door and were items requiring little to no infrastructure.

Table 15: Perceived opportunities for young girls in Northern Nigeria

<table>
<thead>
<tr>
<th>Opportunity</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Craft</td>
<td>52</td>
</tr>
<tr>
<td>Family business</td>
<td>20</td>
</tr>
<tr>
<td>Agriculture/livestock</td>
<td>6</td>
</tr>
<tr>
<td>Apprenticeship</td>
<td>6</td>
</tr>
<tr>
<td>Wholesale/retail trade</td>
<td>6</td>
</tr>
<tr>
<td>Restaurant/food sales</td>
<td>1</td>
</tr>
<tr>
<td>Own business/skill</td>
<td>1</td>
</tr>
</tbody>
</table>

In the focus groups, there were slight variations in the types of businesses girls wanted to operate especially among girls with higher education levels, such as Zainab Aminu, a secondary school student in Kano. She would like to open an internet business center in the formal sector but lacks capital, which is a major constraint for growth and development of women owned businesses across Nigeria. Respondents cited capital as the second highest constraint to starting a business (32%) preceded by lack of business skills (46%).

Vocational and Skills Training

Girls surveyed recognize that knowledge and skills are essential for starting up a business or gaining employment. However, only 10% of the sample have engaged with vocational or skills training. Currently 5% (or 95 girls from the 1,800 sample) are enrolled in vocational or training centers. An additional 91 girls indicated they had previously either graduated from or were enrolled in vocational training.

There are numerous vocational and skills training centers across the three states (with the highest number in Kano) established by the government or run by international and national non-governmental organizations, as well as skills development activities included within larger development initiatives. The assessment found government-led trainings predominately focused on small-scale poultry and livestock or tailoring and knitting for girls and

46 Focus group discussion with fathers of adolescent girls; Ungogo, Kano State (13 September 2012)
welding for boys. Each Local Government Area (LGA) has a vocational center though it was clear that many were operating on minimal funds and curriculum was often not synced to the actual demands of the local market. Many government agency and state-run vocational training staff had a very limited view of the types of economic activities girls should be involved in (both married and unmarried) which has been found in other nationwide assessment noting ‘issues of women’s and girls’ empowerment are often seen as trivial by many local and state agencies/officials and tangential to their development objectives’. Male interviewees or representatives from religious organizations often placed girls’ potential roles in income-generating activities to support their husband (if married) or to build the assets they can offer to their future husband (unmarried girls). Vocational center staff in several locations also stressed that married girls required formal approval from their husbands, and unmarried girls the consent of their parents, to enroll.

Several training centers, especially those linked to the government, provide small grants or loans or the provision of equipment. In Jigawa and Katsina, centers are run by Islamic organizations. One example is the Islamiyya School for Women in Jigawa that teaches girls aged 15 to 25 the Qur’an, literacy and numeracy, and basic skills for small economic activities with livestock (especially poultry). These schools typically operate in the evening rather than the day.

Several training centers and programs also integrate financial education into their courses, but this was not consistent. In one such program in Jigawa State, a teacher collects money from the students and guides them on how to “spend small by small”, teaching them the basic principles of saving. In Katsina, one course focused on basic budgeting and basic cash flow statements for a student’s potential business. However, a different school, also within Katsina noted “we don’t give them training on how to manage their money. We only give them equipment to carry out their businesses.” The Women’s Advancement Initiative in Kano focuses not only on the technical skills of the potential business but also on basic business and financial management. Trainees receive certificates that can be provided to financial institutions or employers. Several centers also provide funding directly or link students to government funding albeit on a small scale. The Ministry of Women’s Affair Director in Jigawa noted a local government center had provided 50 group loans in the past year.

Kano State offers the highest number of female focused trainings overall, and especially those with a mentoring component. Most were casual and group-based, however, and included representatives from local companies, non-governmental organizations, and professional bodies, as well as religious leaders. Some of the larger and urban-based centers also offered basic career advice or placement assistance.

…”The Hausa community believes that when you are married you should stay at home and be dedicated to your husband. If the husband is not interested, they don’t allow you to work or to do anything at home. Even where they allow you, when you start progressing, the next thing is to cut you off from the business so that you cannot progress and go beyond your husband’s income. Some of our girls who can cook and who are interested in catering services are downgraded by the community and are called ‘Yan Tuwo-Tuwo’ which by implication means ‘prostitute.’ So these are some of the things that discourage them (girls age 15 - 19) from any kind of business outside their homes, especially when they are married. When you are at home (not married) and you are doing business, people will say it is your parents who cannot take care of you, that is why you are doing such business, that is why we have a high rate of unemployment in our community…

Female Principal of the Government Girls Arabic Secondary School in Babuara, Jigawa State (27 September 2012 interview)

49 Interview with the Director of the Women Skills Acquisition Centre in Jigawa (September 2012)
50 Interview with the Ministry of Women’s Affairs in Jigawa (30 September 2012)
Throughout the stakeholder interview process as well as focus group discussions, several local and national organizations, as well as international donor-funded initiatives were highlighted that have a strong focus on skills training for adolescent girls in Northern Nigeria.

- **Adolescent Health and Information Projects (AHIP)** Nigeria\(^1\) has offices in Kano, Jigawa, and Bauchi States and manages four vocational centers for adolescent girls. They have also worked with international organizations, including the Population Council, to create Girls Clubs for both girls in and out of school with mentoring. They also link their students with internships and career advice centers. [www.ahipnig.org](http://www.ahipnig.org)

- Several girls in the focus groups knew friends participating in activities run by the **Women Farmers Advancement Network (WOFAN)**. WOFAN provides ‘soft loans’ and credit as well as economic focused skills building in the agriculture sector for women and girls, often through funding from international donors such as USAID and the private sector. [www.wofan-ng.org](http://www.wofan-ng.org)

- The **Youth Enterprise with Innovation in Nigeria (YouWiN)** initiative funded by the World Bank and DFID targets youth nationwide to support youth enterprises with technical and financial support in the form of grants. In late 2012 and 2013, the initiative will focus on female entrepreneurs, as there was a low participation in previous years (only 18% of applications came from women). The sectors where women are most active include: agro and food sector (livestock farming - poultry and fish farming), catering, fashion, retail and trading. There is no particular focus on adolescent girls or Northern Nigeria. However, the Directorate of Youth Development in Kano State noted they were working with YouWiN to recruit at least 200 female applicants for the next round of funding.\(^2\) [www.youwin.org.ng](http://www.youwin.org.ng)

### Wage Employment

One in ten of the six million Nigerians who annually enter the job market do not find employment, resulting in these youth being classified as economically inactive whereas they are part of the large majority who make their living in the informal sector.\(^3\) This is the case for adolescent girls who tend to work in low-paying jobs in the informal sector in Kano, Jigawa, and Katsina states. The Nigerian Labor Act prohibits the employment of children below the age of 15 in commerce and industry, but sets the minimum age at 12 years for employment and apprenticeships, ‘except for light agricultural or domestic work performed for the family’. More than half of the girls currently not employed (55%) are looking for employment. The remaining expressed interest in finding a job but were not looking due to the following: Girls cited their lack of skills (38%), responsibilities for childcare (31%), were prevented by either husband or family (10%) or did not know how to look for work (5%).

Mercy Corps interviewed over 200 businesses across the three states to capture businesses’ perceptions of adolescent girls as employees and identify skills (both soft skills and technical skills) and characteristics most desired by employers. Employers felt girls have the greatest employment opportunities in the private sector (43%) closely followed by self-employment (a small business or economic activity) (42%). (Table 16)

When questioned what sectors in the economy could be potential areas for employment, employers followed similar response patterns to the girls themselves, citing handicrafts highest (37%), followed by self-employment or hawking (25%), and restaurant/food sales (12%). Employers also included manufacturing (10%) and telecommunications (7%) as potential areas, though not identified to any large extent by the girls.

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\(^1\) Interviewed on 13 September 2012
\(^2\) Interviewed on 14 September 2012
The DFID and World Bank-funded Growth and Employment in States (GEM) initiatives targeted growth industries and found several barriers and potential opportunities for women’s access:

• The leather industry is Nigeria’s largest source of non-oil exports; however, it is dominated by men. The major tanneries established for export are foreign-owned and do not necessarily discriminate against any skilled applicants, though few women have the required skills to participate. Technical industrial training is available for both men and women but the entry level requires a minimum of a secondary school certificate.

• Males dominate the meat industry as herders, butchers, transporters, wholesalers and retailers. Main cattle wholesale traders are Hausa as the supply chain originates in the North and Niger. Unlike the Southerners, women in the North currently only play a minor role in the care of small ruminants and see little financial gain from this activity. The increase and improvement of slaughterhouses in the North under GEMS has the potential to increase employment opportunities as well as value chain entry points for women.

• In the construction industry, skilled and semi-skilled positions are filled by men due to skills and cultural norms of ‘women’s work’. GEM will build on opportunities to train uneducated women in landscaping to overcome the gender imbalance in the construction industry.

In the quantitative survey, these sectors received minimum responses but several girls in focus groups mentioned they were interested in these sectors. However, when speaking with several male-owned businesses they acknowledged that manufacturing and construction companies (as well as smaller businesses along their value chains) were growing and in need of labor, but many also did not see these as appropriate sectors for females, especially adolescent girls. However, interestingly in a Kano focus group, one participant did mention she does often work as a laborer for various construction firms in Kano. However, under the DFID-funded the Growth and Employment in States (GEMS) projects, they found the few women that do work in construction on local building sites are generally illiterate, very poorly paid casual laborers working in conditions not compatible with best health and safety practice.54 Across Nigeria, women are poorly represented in growth sectors such as wood, metals, chemicals, construction, and transport.55

Table 16: Reported sectors for growth

<table>
<thead>
<tr>
<th>Sector</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public sector</td>
<td>15</td>
</tr>
<tr>
<td>Private sector</td>
<td>43</td>
</tr>
<tr>
<td>NGO</td>
<td>1</td>
</tr>
<tr>
<td>Self Employment (small business skill)</td>
<td>42</td>
</tr>
</tbody>
</table>

Skills and Characteristics Desired by Employers

The important skills to business owners when hiring are basic literacy and numeracy skills (22%) followed closely by strong interpersonal communication and professional skills (21%). Employers were also interested in girls’ marketing skills - selling products and interacting with customers (19%) - followed by basic financial management skills (15%) and computer/word processing skills (10%). The characteristics employers look for in employees is past job experience (29%), followed by professionalism and level of education (17%).

Table 17: Sectors of the local economy expanding for adolescent girls

<table>
<thead>
<tr>
<th>Sector</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telecommunication</td>
<td>7</td>
</tr>
<tr>
<td>Own business</td>
<td>25</td>
</tr>
<tr>
<td>Education</td>
<td>1</td>
</tr>
<tr>
<td>Agriculture/livestock</td>
<td>5</td>
</tr>
<tr>
<td>Restaurant/food sales</td>
<td>12</td>
</tr>
<tr>
<td>Retail trade</td>
<td>4</td>
</tr>
<tr>
<td>Craft</td>
<td>37</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>10</td>
</tr>
</tbody>
</table>

Focus group discussions with boys mirrored that of business owners, stating that while marital status is not important for men, for women it is very important, especially related to pregnancies and child care for married women. Married women often need permission from the husband to work, which may limit their interactions with customers.

Table 18: When recruiting employees, what is the most important characteristic you look for in an employee?

Business owners cited several other factors which play important roles when hiring. 64% of business owners looked to personal contacts when hiring. In addition, 68% of the businesses surveyed had a preference for hiring male employees over females. This could be further explained by the fact that 55% of the businesses perceived adolescent females as persons without the requisite skills and knowledge suitable for employment.
Salary Expectations

When looking for employment 64% of the girls expected to be paid less than $6.36 per week (N1000) when they eventually secure jobs with the remaining 25% expecting between $6.36 and $12.71 as their weekly pay. It is also interesting to note that 33% of businesses in the three states paid adolescent employees less than $6.36 per week with 27% of the businesses paying between $6.36 and $12.71. The expected salaries of the girls, especially those who expected to be paid between $6.36 and $12.71 per week, are not significantly different from what employers pay as weekly salaries for adolescent employees. (Table 20 and Table 21). These rates are lower than those expected by their male counterparts but also in line with the national findings where income inequality is prevalent, with women, regardless of their educational qualifications, earning consistently less than their male counterparts.57

Table 19: Level of Education preferred by businesses in hiring

<table>
<thead>
<tr>
<th>Education Level</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>No preference</td>
<td>4</td>
</tr>
<tr>
<td>Islamiyya/Formal</td>
<td>11</td>
</tr>
<tr>
<td>Islamiyya</td>
<td>1</td>
</tr>
<tr>
<td>University</td>
<td>1</td>
</tr>
<tr>
<td>Technical/Vocational</td>
<td>7</td>
</tr>
<tr>
<td>Senior Secondary</td>
<td>23</td>
</tr>
<tr>
<td>Junior Secondary</td>
<td>41</td>
</tr>
<tr>
<td>Primary</td>
<td>12</td>
</tr>
</tbody>
</table>

The majority (64%) of the businesses56 surveyed have a preference for junior and senior secondary school as educational qualifications when hiring employees. This is an indication that the majority of businesses do not require highly skilled individuals for employment. Only 1.4% of them said they preferred a university degree as qualification for employment.

Table 20: Girls' expected salaries per week

<table>
<thead>
<tr>
<th>Salary Range</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>I don't know</td>
<td>2</td>
</tr>
<tr>
<td>$25.43 and above</td>
<td>5</td>
</tr>
<tr>
<td>$19.07 - $25.42</td>
<td>1</td>
</tr>
<tr>
<td>$12.72 - $19.06</td>
<td>3</td>
</tr>
<tr>
<td>$6.36 - $12.71</td>
<td>25</td>
</tr>
<tr>
<td>$6.35</td>
<td>64</td>
</tr>
</tbody>
</table>

56 Some of these businesses include: agriculture/livestock, restaurant/hotel, craft and manufacturing/processing.
Opportunities to Engage with Adolescent Girls

Mercy Corps has identified several opportunities to engage with adolescent girls to increase existing levels of financial inclusion and opportunities for entrepreneurship. Adolescent girls in Northern Nigeria demonstrated a strong interest in developing economic activities or growing existing ones. Mercy Corps builds on the growing evidence\(^{58}\) that 'providing girls and young women with access to economic assets and developing their skill sets has the potential to increase their ability to generate an income, increase their ability to save, and support their participation in school.' Mercy Corps also recognizes that within the 15 to 19 age group, girls have different financial needs and are in different stages of their lifecycle related to marriage, household responsibilities, children, and employment. This may be based around age, marital status, geographic location, and mobility/ability to move freely. This must be taken into consideration in designing future activities as well as the following principles:

- **For a girl’s school to work transition to be successful, she requires a solid educational base aside from just the specific skills required for the job.** Mercy Corps interventions should raise the educational achievement levels of girls in both formal and non-formal education. In the assessment, the majority of businesses surveyed (64%) had a preference for junior and senior secondary school graduates when hiring employees.\(^{59}\) In-school girls should stay in school and receive supplementary market-driven skills to better prepare them for employment upon graduation.

- **Girls typically have less access to broad social networks to aid in job search and consequently less information with which to make a good decision on sector and occupation.** Girls often go into traditional, low-earning sectors based on social norms or restrictions. Mercy Corps recommends both girls in school and out of school be provided both social and emotional networks – such as Safe Spaces – as well academic support to increase learning outcomes as well as a clear path to employment based on their personal interests. Learning opportunities should be close to where the girls live recognising that evidence shows that reducing the distance that girls have to travel for school (formal and non-formal) dramatically increases enrolment.\(^{60}\)

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\(^{58}\) Dickson, K and Bangpan, M (2012). Providing access to economic assets for girls and women in lower and middle-income countries. London: EPI-Centre, Social Science Research Unit, Institute of Education, University of London.


• **Girls typically have little access to or ability to increase economic assets.** Girls need direct access to and control over productive economic assets, including increased savings. Mercy Corps found that over 48% of adolescent girls already save informally through savings groups or money keepers and an additional 8% save in formal financial institutions.\(^{61}\) Savings allow adolescents to build assets into adulthood, cushion against shocks to their livelihood or household needs, and provide security in emergencies. Savings also serve as collateral for credit while increasing girls’ future orientation, long-term thinking, and planning and self-efficacy.

• **Recognise the specific needs of married, adolescent girls.** Mercy Corps recognises that married girls are often considered women once they marry but they are still girls based on age, skills and experience. Mercy Corps recommends work largely with girls who are married early (prior to age 18) or who are divorced and/or supporting children.\(^{62}\) Interventions must be tailored to be relevant and to meet the unique concerns of married girls, such as child rearing, negotiating with a spouse, safety, child care, etc. Safe Spaces may be the only social networks these girls have as she may be cut off from social networks after marriage and under the household authority of a husband or potential co-wives.

**Financial Education and Entrepreneur Skills**

Mercy Corps incorporates financial education into financial interventions, whenever possible, to avoid client overindebtedness, build resiliency, improve savings habits, and facilitate positive interactions with financial institutions. Evidence demonstrates “financial education is the glue between savings and social support, and is a critical pillar of assets-building programs.”\(^{63}\) Mercy Corps did not find many entities (financial institutions, NGOs, or service providers) offering financial education at scale, especially for adolescent girls, but did encounter several entities working to increase financial literacy for students in formal school (e.g. Junior Achievement Nigeria\(^{64}\)) or as part of child-rights or empowerment programming for children and youth (e.g. Aflatoun-affiliate Nigeria Lynx based in Lagos). We encountered several financial institutions who expressed plans to start or increase basic financial education for clients in reaction to the CBN’s National Financial Inclusion Strategy for 2020. There may be initial opportunities to work with MFB and commercial banks with a presence in the North or with institutions that have already identified women or youth as potential target markets (e.g. Diamond Bank, Access Bank, and Fortis Microfinance Bank) as they expand, as well as Abuja-based Islamic banks.

Mercy Corps recommends using both school-based and *Adashi* savings groups as immediate delivery channels for financial education. School-based financial education should include a mixture of formal school (focused on junior secondary and secondary), vocational and skills training centers, as well as Islamiyya schools. Islamiyya schools combine religious education with formal Nigeria Ministry of Education curriculum. Two-thirds of Islamiyya students are female.\(^{65}\) Schools with high levels of adolescent girls within primary grades may also be targeted; however, as noted below, the curriculum should be adapted to the realities of adolescent girls and so may not be appropriate for other children also in primary school. This is also an opportunity to work with the existing School-Based Management Committees (SBMCs) comprised of community, religious, and traditional leaders. Messages and support from religious and traditional leaders on education as a religious duty, as well as reinforcement of the girls’ voice and influence in the household can be invaluable.\(^{66}\) To identify girls, Mercy Corps should engage with organizations highlighted in Section 3 (especially AHIP, WOFAN, and CSADI) for vocational and technical training as well as LGA-run vocational schools. For formal and religious schools, there are clear synergies and

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64 MasterCard Foundation, Microfinance Opportunities, and Genesis Analytics, “Global Study on Financial Education: Report” (2011)
65 www.esspin.org/index.php/ourwork/download/Note-8-IQTE.pdf
opportunities for engagement with the DFID-funded, UNICEF-led Girls Education Programme (GEP) (2003 to 2019)\(^{67}\) and Education Sector Support Programme in Nigeria (ESSPIN) (2008 to 2014).\(^{68}\) Neither program works in all three states covered in this assessment. However, GEP is present in Katsina and ESSPIN in Kano and Jigawa States. There are other large donor-funded education initiatives in Northern Nigeria but they do not include the three states covered in this assessment. Financial education can be integrated into the curriculum over the course of a semester or specific clubs for girls can be formed to meet weekly or bi-weekly. This should also include partnering with religious based institutions such as the Nigerian Interfaith Action Association (NIFAA) and Federation of Muslim Women Association of Nigeria (FOMWAN) to find adolescent girl champions within the faith-based or religious community to ensure girls can engage and actively participate in income-generating activities to increase standing in the household and community.

38% of the assessment respondents already participate in Adashi groups for rotating savings and credit, providing a clear avenue to reach girls for financial education and also allowing them to apply the financial education skills they gain immediately. Adashi groups allow Mercy Corps to engage with out of school girls as well as girls in more rural areas. Mercy Corps can build on existing Adashi groups as well as develop new groups that target either married adolescent girls or married girls with children. Forming new groups, Mercy Corps will follow best practices by engaging with community and religious leaders as well as girls’ parents, husbands and other male family members as needed. In Katsina, Mercy Corps can also coordinate with Save the Children UK who is forming new savings groups targeting households with orphan and vulnerable children under USAID/PEPFAR funding and USAID-funded Maximizing Agricultural Revenues and Key Enterprises (MARKETS) which operates in the three targeted states.\(^{69}\) To strengthen social assets, Mercy Corps recommends using Adashi groups to serve as peer networking opportunities for girls to not only build their financial capacity and practice savings, but also as an opportunity to interact with other adolescent girls (especially non-family members) and develop a sense of self-esteem and independence.\(^{70}\) Mercy Corps will also coordinate with organizations that have formed ‘Safe Spaces’ for adolescent girls. This includes the DFID and Norwegian Government- funded Partnership for Reviving Routine Immunization in Northern Nigeria and the Maternal Newborn and Child Health Programme (PRRINN-MNCN) that is forming 2,000 support groups by 2013 for young, married adolescent girls (ages 13 to 20) in four states, including Jigawa and Katsina. To date they have formed 200 groups focusing on very rural areas and girls with little to no literacy or numeracy.\(^{71}\) In addition to the health focused activities, girls will receive financial management skills and life skills.\(^{72}\) Mercy Corps should also partner with Population Council. Population Council is a pioneer in the design and implementation of Safe Spaces in Nigeria and through DFID-support will be rolling out

Common Features of Successful Adolescent Girl Initiatives
1. Girls are organized into small groups that meet frequently.
2. Peer educators provide skills training and group leadership.
3. A strong social support/mentoring component exists.
4. A phased approach is used, first using individual, voluntary savings and providing life skills, financial literacy, and health education. Later phases include more demanding options such as goal-orientated savings, vocational and business-skills training and microcredit.


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\(^{67}\) GEP operates in Katsina Niger, Sokoto, and Bauchi States with a cumulative budget of £143 million.

\(^{68}\) ESSPIN operates in Lagos, Kwara, Enugu, Kano, Kaduna and Jigawa States with a cumulative budget of £84.3 million.

\(^{69}\) www.usaidmarkets.org


\(^{71}\) Mercy Corps interview with Dr. Fatima Aduma on September 14, 2012 at the PRRINN office in Kano.

\(^{72}\) www.prrinn-mncn.org
new Safe Spaces interventions in Kano and Kaduna in 2013. Mercy Corps will also build on the lessons learnt from Population Council’s previous Married Adolescent Girl Health programme and research on Nigerian adolescent boys.

Mercy Corps recommends tailoring the “Young People: Your Future, Your Money” financial education curriculum developed by Microfinance Opportunities and Freedom from Hunger to the specific reality of adolescent girls in Northern Nigeria. This curriculum has five main goals: build an understanding of basic principles of good money management; promote awareness of personal financial issues and choices; develop knowledge, skills and behaviors to manage day-to-day expenses, prepare for life cycle events, set financial goals, and develop strategies to achieve them; and introduce the concepts of assets, capital formation and wealth creation. This also includes the concepts of self-employment and wage employment.

The curriculum will need to be adapted to Hausa as well as acknowledge that many of the girls will have low literacy and numeracy levels. It may be necessary to have spin-off curriculums for girls based on different literacy levels, as well as age groups or marital status. In addition to interacting with girls in school and through Adashi and ‘Safe Spaces’, Mercy Corps recommends using additional delivery mechanisms, especially radio and the medium-term potential for SMS or mobile training (see below). When asked how they would most like to be reached in both the quantitative survey and focus groups, girls consistently were most comfortable with and had the most access to information via radio. 72% of the respondents listen to the radio on a daily basis, following by 24% at least once a week, and only 2% rarely or never listen to the radio. Radio, however, loses the depth of its message, and so it should be used to supplement face to face training and also to reach the widest number of girls and those girls that would not have access to either school or Adashi-based financial education. Though they had less access than radio, girls (especially in urban and peri-urban areas) access TV regularly. 72% of girls responded that they never or rarely had access to the internet, followed by once a week (16%), daily access (6%) and once a month (6%), indicating internet would have minimal reach to the target population.

In addition to financial education, Mercy Corps recommends integrating entrepreneurship skills — with a focus on basic business and management and life skills — with financial education. There is clear demand for these skills, as 69% of girls participating in Adashi groups plan to use their savings to start a small business or economic activity; 31% of all respondents already run a business; and an impressive 78% of all respondents expressed an interest in learning how to start and manage a business. These skills should be included with training to Adashi groups as well as integrated into ‘Safe Spaces’ groups where appropriate and vocational and skills trainings where not already included. These trainings should focus on basic business topics including marketing, market assessment skills, cash-flow analysis, petty cash management, book keeping and basic accounting at a minimum. Mercy Corps recognizes that some girls see entrepreneurship as an opportunity to be pro-active, be their own boss and turn an innovative or market-driven idea into a profit-making entity (opportunity-driven) whereas others will view it as a ‘last resort’ for income generation (necessity-driven) on a path to formal wage employment and will need to adapt curriculum accordingly. As detailed in Section 3, Mercy Corps found girls’ businesses were clustered around low-growth and low-return and traditionally female-dominated sectors such as livestock, tailoring, handicrafts, and basic food/meal production and sales. Girls are not involved in manufacturing, transport, or construction.

sector value chains to any noticeable degree, limiting potential growth (recognizing that may of the girls are also limited to activities within or near their home). Mercy Corps sees clear opportunities to engage with vocational and skills training centers (governmental and non-governmental) to advocate for expansion for girls’ involvement in non-traditional sectors where there are higher asset-building opportunities and actual market demand. This will include concentrated efforts to engage with vocational and religious-based skills centers which Mercy Corps found often limit a girl’s involvement in sectors outside of the traditional female-dominated sectors which adhere to the enforcement (formal and informal norms) of a ‘respectable’ woman’s role, emphasizing childbearing, managing home life and supporting her husband’s career and social networks.75

Mercy Corps should also engage directly with the implementers of the DFID and World Bank funded GEMS which have a clear mandate to integrate women and youth into employment in six targeted industries (including through skills provision) with the most applicable for Northern Nigeria being wholesale/retail trade, construction, and meat/leather. However, note that at present, of the three states in this assessment, GEMS only operates in Kano.76

**Economic and Financial Assets**

Adolescent girls in Northern Nigeria demonstrated a strong demand for financial products and services but currently lack access to, and knowledge of, formal financial institutions. Girls are already saving, primarily informally through Adashi or money keepers or in their own homes. Many also have small collateral or at least understand the need for collateral for both formal and informal credit. Global evidence has found communities treat girls differently when they have higher economic (earning) potential, suggesting that developing economic assets is an effective way to increase financial inclusion.77

**Savings:** One of the key opportunities to increase financial inclusion for adolescent girls is the strengthening and expansion of savings habits and the increase of formal savings opportunities. Savings allow adolescents to build assets into adulthood, cushion against shocks to their livelihood or household needs, and smooth consumption. Savings also serve as collateral for credit and, just as important for the targeted group, increase girls’ future orientation, long-term thinking, and planning and self-efficacy.78 60% of respondents expressed an interest in learning saving techniques, with over 48% of respondents already saving informally through Adashi or money keepers and an additional 8% saving in formal financial institutions. Respondents reported that 35% of those that had borrowed money in the past 12 months had used the money to pay off other debt and 33% of the respondents needed financial assistance to cover basic needs in the past year, demonstrating a demand for savings. Mercy Corps sees opportunities to increase savings by increasing the number of and strengthening existing Adashi savings groups (for rural areas and girls without KYC compliant identification) as well as facilitating relationships with deposit-taking formal financial institutions (especially for urban and peri-urban areas). Electronic and mobile savings at scale are limited nationwide with no girls surveyed saving with these mechanisms at present. However, Mercy Corps does see opportunities to use SMS to send reminders and ‘nudges’ to girls to promote and establish sound and consistent behaviors required for long-term success in savings, especially when peer pressure mechanisms are not present.

Only 8% of assessment respondents currently have an account with a formal financial institution, yet many without an account felt this was due to a lack of relationship with the bank and 56% of overall respondents are interested

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75 Social Development Direct (August 2008). Social Exclusion and Gender Inequality Assessment: Prepared for the Department for International Development, Nigeria
76 GEMS also operates in Kaduna, Lagos, and Cross River States.
78 Kilara, T and Latortue A (July 2012). Emerging Perspectives on Youth Savings: CGAP Focus Note No. 82
in opening a bank account. However, many of these girls also acknowledged there are not (or at least they were not aware of) any bank branches within an acceptable traveling distance. This was especially the case for Jigawa and Katsina, who also had higher levels of parents or husbands that would not approve of them opening a bank account compared to the overall sample. However, that still leaves a large portion of the respondents with an interest in and potential to open a savings account.

Banks, without a great deal of effort, can adapt the terms and conditions of existing savings products. In recent years, evidence has grown not only on the impact of savings for adolescent girls, but also on the financial benefits for the financial institutions.\textsuperscript{79} At present, there are several Nigerian banks actively recruiting youth customers, such as the Diamond Bank which requires a N5,000 ($32 USD) opening balance and monthly deposits with a 2\% annual interest rate\textsuperscript{80}, and the Access Bank Early Savers Accounts and Fortis Young Stars Account; both with similar terms.\textsuperscript{81 82} These savings products target children and adolescents up to 17 years of age. These products would not be most appropriate for the target group; however it demonstrates there is an opportunity to work with Nigerian banks to adapt existing products to reach adolescent girls. This may include low-initial opening balances and monthly maintenance deposits, targeted marketing and outreach using various delivery channels to reach the highest number of adolescent girls, as well as initial institutional alignment (staff training, policies, branch hours, incentives for consistent saving) attractive to adolescent girls, especially those who are married or have children. Several agencies have developed toolkits to ‘make the case’ to expand youth savings from both the supply and demand perspectives. Many are focused on school-based links with banks or more child-centered accounts; however these can be tailored to adolescent girls in Northern Nigeria. The most promising is the recently released ‘Banking on Youth: A Guide to Developing Innovative Youth Savings Programs’ developed by Women’s World Banking.\textsuperscript{83}

However, Mercy Corps acknowledges that there are still additional barriers for adolescent girls to open a savings account. CBN restrictions allow only those 18 years or older to open an account without the permission/co-signing of a parent or guardian (banks may also require a co-signature when funds are withdrawn from the account for minors) as well as identification requirements. All three savings products mentioned above adhere to CBN KYC customer requirements requiring a birth certificate, a second form of personal identification (for the parent or guardian in the case of a minor), and verification of address. As found in the assessment, a surprising 52\% of girls have a birth certificate; however almost half of the respondents would not have the ID required to open an account at a formal financial institution (deposit-taking or commercial bank or microfinance bank). However, this is not only an issue for adolescent girls but Nigerians as a whole and one of the areas noted in the Nigeria Financial Inclusion Strategy (e.g. tiered KYC requirements and increase in biometrics IDs). Also, even though 56\% of respondents replied that their parent or husband would approve them interacting with a formal financial institution, that still leaves 44\% of the respondents that will need to rely on informal financing mechanisms at present.

**Credit:** Adolescent girls already borrow money across the three states. They are actively involved in \textit{Adashi} (as detailed above) and within the past year, an additional 24\% (or 423 respondents) borrowed from family or relatives, MFIs, moneylenders, banks, or on store credit. Not surprisingly, in general, borrowed funds were for a mix of purposes, with younger girls borrowing from family or relatives for consumption purposes (consumer goods, marriage related-costs, family events and festivals) and older girls borrowing from \textit{Adashi}, MFIs, and banks for working capital to start or expand an economic activity. Though 24\% successfully borrowed money, an additional 20\% (309 girls) responded that in the past they unsuccessfully attempted to apply for formal credit. Girls felt this

\textsuperscript{79} Ibid.
\textsuperscript{80} http://www.diamondbank.com/diamond-kiddies-account.html
\textsuperscript{81} http://www.accessbankplc.com
\textsuperscript{82} Nigerian NGO and Aflatoun-affiliate Lynx Nigeria have a partnership with Access Bank with a reduced opening balance of N1000. However, as with the other accounts the child on the account can pay in but only the parent or guardian can cash out. Mercy Corps meeting with Lynx Nigeria on October 12, 2012 in Lagos
\textsuperscript{83} http://www.swwb.org/sites/default/files/pubs/en/wwb_banking_on_youth_-_a_guide_to_developing_innovative_youth_savings_programs_nov_2012.pdf
was due to their lack of relationship with the bank or financial institution (35%), lack of demonstrated repayment capacity (23%), lack of collateral (20%), lack of parent or husband approval (12%), or religious reasons (5%). Girls are also already running their own economic activities across the three states with interests to grow and expand, with other girls looking to engage in their own activities. This is key, as we found in the assessment that girls who earn income as entrepreneurs expressed a higher rate of control over their income than the overall assessment respondents with more than 94% reporting either full (52%) or at least partial control (42%) over how their income is spent.

Girls lack the collateral or fixed-assets requirements for commercial banks, leading to a higher number of girls with potential demand for credit from either MFIs where personal guarantees or savings can be used as collateral and potentially MFBs. This is not to say that we should not engage with banks, but rather we recognize that we may not be able to reach a large scale, and the loan sizes in demand by the target group would better mirror those at MFIs. However, there may be opportunities for Mercy Corps to facilitate relationships between financial institutions with more established women’s Adashi groups that could include banks. As noted earlier, a MFB in Jigawa already has plans to reach out to least 100 women associations in the area that could be potential clients in the future. The DFID-funded PrOpCom initiative successfully linked women-led savings groups with banks. This included a woman’s group in Kano involved in parboiling rice into paddy and the Nigerian Agricultural, Cooperative and Rural Development Bank. As part of a group loan, small groups of women could borrow up to $637 (N100,000) for working capital with an 18-month repayment period.

49% of assessment respondents want to learn how to effectively interact with financial institutions. Mercy Corps will include this as a key topic, including financial education curriculum, but also see an opportunity to take this further with select microfinance institutions and potentially MFBs in the targeted regions (especially for girls 18 and over). As noted, in Nigeria MFIs are not regulated or supervised by the CBN, which also means they may have different KYI requirements more adaptable to the target group. MFIs include financial cooperatives, self-help groups, trade associations, credit unions, and financial community based organizations or non-profit organizations. We found several of the vocational training centers provide direct capital to students upon graduation or with pre-established relationships, allowing graduated students to use their diploma or vocational training credentials as a form of guarantee or personal reference to MFIs. Mercy Corps sees opportunities to work with select MFIs that have a strong outlook towards female clients to adapt their products for adolescent girls, keeping in mind the 8 P’s in microfinance product design (product, price, physical evidence, positioning, promotion, people, process, and place) and adapting these to the target group.84 Mercy Corps can also facilitate networking events in school, Adashi groups, and ‘Safe Spaces’ to increase the girls’ knowledge and familiarity with the microfinance sector and the services provided by the MFIs. These events serve to break down barriers and to clarify the mechanisms of how the MFIs work, as well as what products are offered at each institution (including interest rates, guarantee requirements, loan repayment criteria, and the types of credit available). Mercy Corps can support institutions to increase transparency when advertising and developing financial products (recognizing that many girls have irregular or seasonally based-cash flows), assessing client repayment capacity, and determining the loan repayment period.

On the demand side, we can also work with girls (building on the basic financial education materials) to provide opportunities to teach potential microfinance clients about client protection and their rights as clients so they are not taken advantage of by financial service providers and so they can act as informed and educated financial consumers. This includes strengthening girls’ capacity to know loan products and financial services on the market and understand their repayment capacity to recognize why loan amounts are approved or not approved. Mercy Corps sees great potential in engaging with EFInA (Enhancing Financial Innovation & Access), the most prominent financial sector development organization in Nigeria (DFID and Gates Foundation funded) on opportunities to increase financial inclusion, especially access to credit in the North and to women; however, we were not able to meet with them as part of the assessment.

84 www.microsave.org
**Cash Transfers:** Evidence demonstrates cash transfers consistently boost school enrollment rates for girls\(^{85}\) as well as have the potential to ‘boost behaviors’ when used as social protection mechanisms for girls.\(^{86}\) DFID is a champion for conditional cash transfers (CCT) for women and girls across Nigeria through two primary initiatives. *The Education Sector Support Programme* (ESPINN) in Jigawa, Kaduna, and Kano in the North (as well as two states in the south) supports girls’ school enrollment through CCT for school fees. A second large CCT transfer program is managed by Save the Children and is in the pilot phase (in Jigawa and Zamfara States) to provide monthly cash transfers to 50,000 households to improve the health and nutrition of young children with the funds to be disbursed to the female-head of the household. Opportunities to expand cash transfers in Nigeria include the replication of the STARS (Savings, Training and Rewarding Savers) Child Development Account (CDA) piloted in southern Bayelsa State as a means of asset building to encourage the habit of savings for youth and their families. Under the pilot, the state government facilitated the opening of savings accounts for 1,000 junior secondary school students (ages 12-15) in WEMA Bank and incentivized savings among students by seeding the savings accounts and matching deposits every quarter through cash transfers.

**Direct Assets through Microfranchising Opportunities:** As demonstrated through the assessment findings, working is an economic necessity for many marginalised older girls even with the cultural norms they face. However, as Girl Hub found in a recent study of girls hawking in Kano, girls want to expand their skills and engage in more lucrative enterprises but for them to leave their current work they would need both education and a proven and direct opportunity to increase her income.\(^{87}\) One such opportunity is through micro-franchancing. Based on a traditional business model, microfranchising bridges the gap between entrepreneurship and employment. A company with a product or service to market, such as a mobile phone company or internet cafe, licenses independent businesses to act at its retail agents. These micro-franchisees are given a “business in a box” and training (and sometimes start-up capital) on how to operate the business. They operate independently with a clear path into a larger value chain with an assured supply chain, low-cost inputs, training for managers and a trusted brand. This greatly reduces the risk of starting a new enterprise and can provide opportunities for girls to enter into non-traditional sectors. Mercy Corps sees opportunities in adapting models to Nigeria such as Mercy Corps' own Farmacias de la Comunidad (Community Pharmacy) model in rural Guatemala that over time includes ‘shared value’ corporate and financing partners for the initial franchising startup costs.\(^{88}\) Mercy Corps is already engaged on a global level with dLight, a for-profit social enterprise for solar lighting, with clear opportunities to integrate adolescent girls in Northern Nigeria as product vendors. Girls can also purchase the lights directly to supplement their income by charging neighbors and communities a fee to use the solar lamp to charge mobile phones.

Mercy Corps is also exploring opportunities to engage with the Coca-Cola Company and their 5by20 campaign to integrate 5 million women in the Coke value chain by 2020 in the three targeted states. Coca-Cola utilises their core assets to generate ‘shared value’ by increasing Coca-Cola revenues while providing girls with the skills to run and support micro-businesses retailing Coca-Cola products. Coca-Cola integrates young women throughout their

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\(^{86}\) Zimmerman, J, Tosh, N, and Holmes, J (October 2012) “Investing In Girls: Opportunities for Innovation in Girl-Centered Cash Transfers” New America Foundation

\(^{87}\) Girl Hub Nigeria Insights (April 2011).

value chain (suppliers, distribution, and direct retailers) and provides upfront Coca-Cola assets (cooler, branded Coke materials). This opportunity increases the girls’ direct incomes and direct access to, and control over, economic assets. This is also an opportunity for some girls to operate a business that is within or nearby their house, recognizing that many are restricted from selling in the large or central markets. There may also be potential to engage these girls within recycling to sort and clean bottles as well as packaging and potential for more advanced or business-savvy girls to engage in Coca-Cola’s micro-distribution channels outside the basic retail function.

Potential for Integration of Mobile Payment Services or Mobile Banking

The use of mobile phones across Nigeria has grown rapidly, rising from 94 million in October 2011 to nearly 107 million in September 2012. Across the country 58% of the adult population owns a mobile phone.

For adolescent girls in Northern Nigeria the numbers are not nearly as high, yet still promising for medium to long-term use of mobile phones for financial inclusion. Over 70% of girls have access to a mobile phone including 42% who own their own phone. Of girls with access, 41% have access on a daily basis for calls and SMS, followed by once or more than once a week (33%), with smaller numbers only once a month (1%) or a few times a month (2%). However, this does mean that almost a quarter (23%) of the respondents have no access to a mobile phone. Of those girls with daily access to a mobile phone, 42% expressed an interest in using the phone for financial transactions or to interact with a financial institution. However, even with that promising level of interest, the fact remains that countrywide only 5.5% of the adult population is aware of mobile money operators and only 0.5% is registered with a mobile money operator. Outside of specific products or specific providers at present (e.g. Diamond Bank), there are not immediate opportunities for mobile banking in the targeted areas. This was a similar finding from the DFID-funded PrOpCom initiative which facilitated the entrance of two mobile payment service providers into the rural North. They found providers were reluctant to invest outside of Lagos and the erratic mobile networks in Nigeria delayed transactions, and many of the handsets used by the rural poor (which are often cheap illegal imports) could not execute some of the basic transactions required.

Nationwide, electronic payment transactions account for less than 1% of all payment transactions. Additionally, agent banking channels are still underdeveloped and infrastructure remains inconsistent nationwide with the lowest penetration in the North. Not surprisingly, only 6% of assessment respondents have used an ATM at any point and only 5% responded to using a point of sale (POS). The National Financial Inclusion Policy stresses the increase of mobile payment operators, ATMs, and POS for increased financial inclusion nationwide. However as noted earlier in the assessment, this policy is relatively new with the ability to achieve the ambitious goals unclear.

Over half of girls (55%) expressed interest in receiving text messages on how to manage or save money, which can serve as a supplement to other financial education using free or low-cost SMS services across Nigeria mobile phone platforms. Messaging can include reminders to make a deposit or check the balance of their savings account, as well as simple budgeting and saving tips at a relatively low cost to the financial institution. Mercy Corps also sees potential to link with Nigerian banks piloting mobile savings products in the North.

89 http://www.ncc.gov.ng/index.php?option=com_content&view=article&id=125&Itemid=73
90 EFInA A2F 2010 survey and website: http://www.efina.org.ng
91 http://www.propcom.org/documents/home/Low_Res_PrOpCom_FINAL.pdf
**Scope and Methodology**

**SCOPE**

The assessment focused on adolescent girls between the ages of 15-19 both in and out of school in Kano, Jigawa, and Katsina States. A particular focus was given to girls currently excluded from economic development interventions due to social, cultural or tribal norms. Mercy Corps contracted the Centre for Research and Documentation (CRD) for data collection, supplemented by literature reviews and interviews conducted directly by Mercy Corps.

**Geographical/Coverage Limitations:** The study was conducted across three Senatorial Districts in each of the three states. These three states comprise approximately 27% of the total population of Northern Nigeria. The assessment areas included 44% of Kano State and 28% in Jigawa and Katsina States, respectively. This is therefore not necessarily representative of the entire region.

**Data Limitations:** The data for the study was limited to adolescent girls between 15-19 years old in the three states, with a focus on girls both in and out of school as well as married and unmarried girls. The researchers provided accurate data based on key variables developed for the purpose of this study. Some organizations/businesses did not grant researchers audience for interviews, especially for a few pre-identified KII and business scoping interviews. This, however, does not invalidate the quality of data.

**METHODOLOGY**

The assessment consisted of three primary survey tools.

**Survey 1: Adolescent Girl Quantitative Survey.**

This tool captured girls' understanding of information on marriage, children, education, current income/expenses, current finance needs/demands, levels of financial education, current levels of interaction with economic activities, and their relationships with economic actors. A total of 1,800 girls were sampled from across the three focal states using a proportionate stratified sampling method. This represented 500 girls in each Katsina and Jigawa States and 800 girls from Kano State (due to its significantly larger population).

<table>
<thead>
<tr>
<th>S/N</th>
<th>State</th>
<th>In School</th>
<th>Out of School</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Jigawa</td>
<td>200</td>
<td>300</td>
<td>500</td>
</tr>
<tr>
<td>2</td>
<td>Kano</td>
<td>320</td>
<td>480</td>
<td>800</td>
</tr>
<tr>
<td>3</td>
<td>Katsina</td>
<td>200</td>
<td>300</td>
<td>500</td>
</tr>
<tr>
<td>4</td>
<td>Total</td>
<td>720</td>
<td>1,080</td>
<td>1,800</td>
</tr>
</tbody>
</table>

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93 Calculated from the 2006 census figures
The sample sizes for girls were selected proportionately as the proportions of girls out of school were larger compared to those in school. In each state, 30% of the sample size for girls in school was drawn from rural areas, another 30% from peri-urban areas and 40% from urban areas. For the out of school sample size, 35% were drawn from each of rural and peri-urban locations, while 30% were from urban locations.

Survey 2: Private Sector Survey Tool.
This tool captured businesses’ perceptions of adolescent girls, opportunities for mentorships, apprenticeships, and job placements. The tool gathered information on self-employment challenges, such as the constraints to starting a business, and identified skills (both soft skills and technical skills) and characteristics most desired by the employer. A total of 218 businesses were interviewed. 70 businesses were selected from each Katsina and Jigawa States, while in Kano state, 78 businesses were selected. Businesses were selected based on size — micro, small, medium and large — and with a focus on growth sectors of the economy with a higher likelihood of hiring.

In addition to the two survey tools, 12 Focus Group Discussions (FGDs) were conducted; four in each state. FGDs were conducted separately for (1) in school adolescent girls, (2) out of school adolescent girls, (3) parents of adolescent girls, and (4) adolescent boys/male family members of adolescent girls (primarily brothers). In Kano State, FGDs were held in Ungogo; Katsina in Funtua; and Jigawa State in Dutse and Malam Madori (see Table 3). For the two girl-focused FGDs held in each state, girls were selected based on their education status (in-school or out-of-school) with a mix of married and unmarried girls in both. The adolescent boys selected in the three states were between 15 and 19 years old. In Katsina and Jigawa, adolescent boy participants were in-school, while in Kano state boys were out-of-school. For the parent-focused FGD, in Katsina and Jigawa female parents who had daughters that were 15–19 years old were selected. In Kano, male parents with daughters between 15 and 19 years old were selected. Table 2 below presents the FGD distribution across the three states.

Table 2: Distribution of focus group discussions across the three states

<table>
<thead>
<tr>
<th>State</th>
<th>Adolescent Boys (15-19 years)</th>
<th>Adolescent Girls (15-19 years)</th>
<th>Parents of Adolescent Girls-15-19 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jigawa</td>
<td>In-school</td>
<td>In and Out of School</td>
<td>Female Parents or Guardian</td>
</tr>
<tr>
<td>Kano</td>
<td>Out-of-school</td>
<td>In and Out of School</td>
<td>Male Parents or Guardian</td>
</tr>
<tr>
<td>Katsina</td>
<td>In-School</td>
<td>In and Out of School</td>
<td>Female Parents or Guardian</td>
</tr>
</tbody>
</table>

FGDs assessed perceptions of girls’ current skills and opportunities for economic engagement and determined gaps in perception between girls and the larger labor market; perceptions as employees, and attitudes towards employment and entrepreneurship. The FGDs also explored the impact education level and marriage has on girls’ access to employment and financial inclusion.

94 Initially 100 businesses were selected for Kano; however, the CRD had difficulty receiving responses from many medium and large businesses.
Key Informant Interviews (KII) were drawn from financial, private and public institutions across the three states to determine the larger ecosystem and enabling environment for female employment and entrepreneurship, as well as gather data on potential opportunities for program linkages. Interviews were conducted in the three focal states as well as in Abuja and Lagos.

Sampling Technique

- For Survey 1; multi-stage cluster sampling was adopted in drawing samples for the study. At the first stage, the three Senatorial Districts in each state were used as primary divisions, within which one Local Government Area (LGA) was selected for a total of nine LGAs from the three states. Each LGA was divided into urban, peri-urban and rural to allow for equal opportunity for both urban and rural dwellers who participated in the study. At the last stage, research locations were identified for the survey.

Table 3: Geographical location of study

<table>
<thead>
<tr>
<th>State</th>
<th>Local Government Area (LGA)</th>
<th>Urban</th>
<th>Peri-urban</th>
<th>Rural</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jigawa</td>
<td>Dutse</td>
<td>Dutse Town</td>
<td>Bakkwato</td>
<td>Rimawa</td>
</tr>
<tr>
<td></td>
<td>Malam Madori</td>
<td>Malam Madori Town</td>
<td>Garin Gabas and Makkadari</td>
<td>Chanchanda</td>
</tr>
<tr>
<td></td>
<td>Ringim</td>
<td>Ringim Town</td>
<td>Sankara</td>
<td>Beguwa</td>
</tr>
<tr>
<td>Kano</td>
<td>Bichi</td>
<td>Bichi Town</td>
<td>Badume</td>
<td>Sanakur</td>
</tr>
<tr>
<td></td>
<td>Rano</td>
<td>Rano Town</td>
<td>Rurum</td>
<td>Saji</td>
</tr>
<tr>
<td></td>
<td>Ungogo</td>
<td>Rijiyar Zaki</td>
<td>Ungogo town</td>
<td>Panisau</td>
</tr>
<tr>
<td>Katsina</td>
<td>Batagarawa</td>
<td>Dandagoro</td>
<td>Batagarawa Town</td>
<td>Jino</td>
</tr>
<tr>
<td></td>
<td>Sandamu</td>
<td>Sandamu Town</td>
<td>Fago</td>
<td>Kwasarawa</td>
</tr>
<tr>
<td></td>
<td>Malumfashi</td>
<td>Malumfashi Town</td>
<td>Dayi</td>
<td>Tuge na alma</td>
</tr>
</tbody>
</table>

- For Survey 2; businesses were divided into four categories; micro, small, medium and large. Micro businesses employing a maximum of 5 employees; small businesses have between 6 and 19 employees, while medium businesses are those with between 20 and 49 employees. Large businesses had 50 and more employees. Table 5 below shows the distribution of the businesses sampled in the three states. The figures are based on the businesses that made themselves available for interviews and the size of businesses located in each state.
Table 4: Distribution of businesses sampled by size

<table>
<thead>
<tr>
<th>State</th>
<th>Micro</th>
<th>Small</th>
<th>Medium</th>
<th>Large</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kano</td>
<td>47</td>
<td>21</td>
<td>9</td>
<td>-</td>
<td>77</td>
</tr>
<tr>
<td>Katsina</td>
<td>18</td>
<td>37</td>
<td>11</td>
<td>5</td>
<td>71</td>
</tr>
<tr>
<td>Jigawa</td>
<td>65</td>
<td>5</td>
<td>-</td>
<td>-</td>
<td>70</td>
</tr>
<tr>
<td>Total</td>
<td>130</td>
<td>63</td>
<td>20</td>
<td>5</td>
<td>218</td>
</tr>
</tbody>
</table>

Data Collection Method
Data for Surveys 1 and 2 were collected using structured questionnaires. In Kano state, eight researchers were trained and deployed to administer 800 questionnaires, while in Jigawa and Katsina States, five researchers administered 500 questionnaires. Each of the three states had a project coordinator and an assistant coordinator who supervised the questionnaire administration. Questionnaires were prepared by Mercy Corps in English and adapted and translated into Hausa by CRD. Survey 1 and the FGD were carried out in Hausa. Surveys administered to the businesses were a combination of Hausa and English.

Data Analysis
SPSS was used in the data analysis. Tables and charts were used to present data in frequencies, percentages and cross-tabulations.

Glossary of Terms

Adolescent: Persons between the ages of 10 and 19, early adolescence is between the ages of 10 and 14 and late adolescence between the ages of 15 and 19. For the purpose of this study, the focus is between the ages of 15 and 19.

Adult: For the purpose of this survey, age 19 or older is considered an adult. However, per Nigerian law any person who reaches the age of 18 is legally considered an adult.

Business: A person, partnership, or corporation engaged in commerce, manufacturing, or a service; profit-seeking enterprise or concern. This term is interchangeable with company and firm.

Child: For the purpose of this study, all individuals below the age of 15 are placed in this category.

Handicrafts: Craft making or petty trading such as weaving, tailoring, catering, hairdressing, knitting, soap making, bead making, and henna design.

Enterprise: Any entity engaged in an economic activity, irrespective of its legal form. This includes self-employed persons and family businesses engaged in craftwork or other activities, and partnerships or associations regularly engaged in an economic activity.
Financial Inclusion: Access to a broad range of financial products (e.g. payments, savings, credit, insurance and pension).

Formal Sector: Legally organized sector, including businesses and employment with defined hours, wages, income and payment taxes registered with the appropriate Ministry. Only 30% of Nigeria's businesses are estimated to operate formally; 40% of the country's employees are formally registered.95

Hawking: Part of informal sector where goods and food items are sold on the streets or door-to-door.

Informal Sector: Sector which is not formally registered with the Nigeria authorities. Nigeria's economy is based on the informal sector with over 70% of business operating informally (especially those that are micro, small, and medium) and not related to the oil industry.

Islamiyya: Islamic schooling system which combines religious education with formal Nigeria Ministry of Education curriculum. Two-thirds of Islamiyya students are female.96

Market: A set of arrangements by which buyers and sellers are in contact to exchange goods or services, the interaction of demand and supply.

Market linkages: One or more organizations or processes that facilitate the flow of activity between two or more elements of a supply chain, and support end-to-end integration of the entire supply chain.

Petty Trading: Small scale trade, sale of small inexpensive and often ad hoc items.

Primary School: Grades 1 to 6 traditionally for children between the aged 6 to 12.

Private sector: Businesses ranging from informal microenterprises to large-scale formal enterprises, usually involved in product delivery and associated product development and skills enhancement.

Secondary School: Secondary school in Nigeria is divided between junior secondary school (Grades 7-9) and senior secondary school (Grades 10-12). Students traditionally graduate by or at age 18.

Senatorial Districts: Geographical zones within which an electoral division of a state is made. Nigeria has 36 states, with three senatorial districts per state represented by a Senator.

Tertiary Education: Post-secondary education provided by higher institutions of learning such as polytechnic institutes and universities.

Tsangaya School: Islamic schooling system for male children to memorize the Holy Qur'an by keeping them away from society. Students are often required to beg (in urban areas) to supplement school costs or work in agriculture in rural areas.

Value chain: Full range of activities required to bring a product or service from its conception to final consumers and disposal; implies a value added at each stage. Value chains can be local, regional, or global, and may include input suppliers, producers, processors, transporters, and buyers.

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95 Nigeria Ministry of Finance (2012)
96 www.esspin.org/index.php/ourwork/download/Note-8-IQTE.pdf
### Commonly used Hausa Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Awara</td>
<td>Soybean cake</td>
</tr>
<tr>
<td>Bagalaje</td>
<td>Cassava cake</td>
</tr>
<tr>
<td>Dantamatsitsi</td>
<td>Local sweet made of sugar mixed with lime or tamarind</td>
</tr>
<tr>
<td>Kosai</td>
<td>Bean cake</td>
</tr>
<tr>
<td>Kunphi</td>
<td>Henna</td>
</tr>
<tr>
<td>Kun</td>
<td>Local drink made of millet or sorghum</td>
</tr>
<tr>
<td>Kunun Tsamiya</td>
<td>Local pap made of millet or sorghum mixed with tamarind</td>
</tr>
<tr>
<td>Moi Moi</td>
<td>Local meal made of beans</td>
</tr>
<tr>
<td>Moringa</td>
<td>Leaf sold as local salad mixed with groundnut cake, tomato, pepper, and onion</td>
</tr>
<tr>
<td>Zobo</td>
<td>Local drink made of a plant (hibiscus sabdariffa) commonly grown in Northern Nigeria</td>
</tr>
</tbody>
</table>

### Profiles of Girls from Kano, Katsina, and Jigawa

Girls below were either interviewed as part of the Adolescent Girl Quantitative Survey and or focus group discussions conducted in the three states.

**Jamima Joseph** is 18 years old and lives in Kano, but she hails from Gombe State. Jamima lived with her uncle in Gombe State before she relocated to Kano alone due to frequent battering from her uncle's wife. She has dropped out from school and currently works with a food seller where she earns N6,000 monthly. Jemima lives with her boyfriend in Kano. She would like to go back to school, but she cannot afford the fees. For now, her focus is on working for the food seller but would like to obtain her own restaurant in the future.

**Khadija Adamu** hails from Ringim in Jigawa State. She is 15 years old. Khadija has never attended formal school and can neither read nor write. She said that there is nobody to sponsor her education as she currently lives with her uncle. Her daily routine is domestic chores and hawking small items for sale. She does not envisage starting a business of her own.

**Mariya** is a 16 year old from Jigawa. She got married when she was 14 and currently lives with her husband. She does not have a child yet and is not pregnant. She has never attended any formal school and cannot read or write. Mariya has no source of income and is not interested in looking for a job nor starting a business. According to her, she does not know what type of business will be successful. She said she gets money sometimes from her husband and other family members. She has no access to a mobile phone.
Shamsiya Yusuf Dandagoro is 19 years old and lives in Katsina State. She married in 2011 at the age of 18 after completing her secondary school. Currently she runs a small tailoring business that she operates from her husband’s home. She earns about N8,000 a month when demand is high for her services, usually during holidays and festivals. She faces challenges with her business including limited clients during low season and insufficient capital to allow her to build her assets. If she had the capital, she would invest in additional sewing machines and an embroidery machine.

Safiya Salisu Abdullahi is 19 years old and lives in Jigawa State. She graduated from secondary school and currently attends Jigawa State Polytechnic in Dutse (the capital of Jigawa). She earns a living to cover school fees as well as personal needs by selling GSM/mobile recharge cards to her fellow students and other customers within and around the campus. She also receives a monthly stipend from the government. She feels that for a woman to be successful in business, she needs capital and should not be married.

Map of Assessment Areas per State

Figure 1: Jigawa State map showing the study areas
Figure 2: Kano State map showing the study areas

Figure 3: Katsina State map showing the study areas
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